

PLANNING A NEW FACTORY?
Built in the benefits of an
ATCOST
STRUCTURAL FRAME

ATCOST INDUSTRIAL DIVISION
Berkeley Sq. House, London, W1X 5LE 01-493 0802

CONTINENTAL SELLING PRICES: AUSTRIA S.13; BELGIUM P.28; DENMARK K.2.75; FRANCE P.2.20; GERMANY DM1.70; ITALY L.38; NETHERLANDS F.1.50; NORWAY K.2.75; PORTUGAL Esc.15.00; SPAIN P.30; SWEDEN K.2.50; SWITZERLAND Fr.1.50.

NEWS SUMMARY

GENERAL

U.S. in warning to North Korea

Dr. James Schlesinger, U.S. Defence Secretary, warned that the U.S. would react vigorously if North Korea tried to take advantage of its defeat in Indochina to launch another attack on the South.

At the same time, Dr. Schlesinger admitted that the cost of the recovery of the Mayaguez was likely to prove much higher than at first thought. The latest casualty list, he said, showed that five U.S. servicemen were killed in the abortive assault on Koh Pong island and 10 are still missing.

In Thailand, Foreign Minister Major-General Chuanhavan told demonstrators that if they demonstrated against the U.S. base at a launching pad for the rescue operation, he would recall the Thai ambassador to the U.S. Back Page

Arab guerillas retaliate

In Jerusalem, a time bomb exploded near a petrol station in the Arab sector. Guerilla organisations in Beirut claimed responsibility for the explosion. In the region to mark the 27th anniversary of Israel's founding, about 20 people were wounded when a bomb hidden in a picnic basket exploded at a Dead Sea swimming resort.

Lebanon says nine children were killed when a mortar shell exploded outside the southern village of Aftoun. Page 5

Kruggerand deals - two charged

Two Swiss nationals will appear at Uxbridge Court today, charged with trying to evade the Budget prohibition on the importation of Kruggerands without authority following a two-week inquiry by Customs officers into deals involving thousands of pounds. A London dealer in the coins may be implicated.

Loyalist split

North Down's Ulster Defence Association has broken away from the main Protestant paramilitary organisation because it claims members were subjected to severe intimidation by "thugs" from the East Belfast UDA. The body of a 17-year-old Catholic youth was found in a lay-by in Rathfriland, County Down.

French N-tests

France will conduct several underground nuclear tests in the South Pacific this year, according to Defence Minister Yvon Bourges.

28 hurt in crush

Twenty-eight people, mostly young, were injured or crushed in a crush after being crushed in a crowd at a BBC Radio 1 Friday night concert at the Royal Albert Hall, London.

EEC support

Leeds Harris poll in today's Daily Express says that 64 per cent of voters would support the EEC-20 per cent want Britain to leave and 12 per cent don't know. Referendum news, Page 7

Derby favourite

French colt Green Dancer was made 7-4 favourite for the Epsom Derby after his comfortable victory in the Prix Lupin at Longchamp, Racing Page 2

Briefly...

Quebec construction workers have been ordered to return to work on the Olympic Games site today. Page 5

University of East Anglia in Norwich is being asked to release some of its land so that students can grow their own food to cut their cost of living.

Athletes: Filbert Bayi (Tanzania) clipped one-third of a second off Jim Ryun's world record for the mile with a time of 3 min. 51 sec. in Kingston, Jamaica.

BUSINESS

Chrysler pressing on with proposals

CHRYSLER is pressing ahead with its proposals for profit-sharing and employee participation, despite the strike at the Coventry engine factory which has halted the company's U.K. car production and made 7,000 workers idle.

Details of the programme, by which Chrysler hopes to secure a year's freedom from strikes, and higher output, are today being put to union officers and shop stewards representing 27,000 employees.

Back Page

BRITISH LEYLAND's new integrated car division is to have three separate manufacturing organisations for large, medium and small models.

Leyland has accepted the proposal by an independent inquiry that the 250 Cowley engine tuners who struck in January over a claim for skilled status should be in a special category. Page 7

MONEY supply has risen by 4 per cent, seasonally adjusted, over the past three months to mid-April, Bank of England figures show. Back Page

PETROMIN - the Saudi Arabian Government's oil company - is embarking on an industrial development programme calling for an investment of some \$13bn-\$14bn over the next five years.

WEST GERMAN Bundesbank analysts of German economic statistics for March shows a slack domestic economy and a sharp fall in export orders. Page 5

Call for export planning pacts

GOVERNMENT should make planning agreements with export companies "as a matter of extreme urgency" and if necessary should use its price-control powers to make the policy bite, a Labour Party and TUC research departments' joint recommendation says. Back Page

BRITISH senior managers are worse paid than their equivalents in other major industrialised countries, a special study for the CBI shows. Page 4

DIRECT linking of wage increases to the cost-of-living index, with a deliberate time-lag, could lower the rate of U.K. inflation to 11 per cent per annum by mid-1976, Sussex University Institute of Manpower Studies says. Page 4

LEADERS of 50,000 chemical industry workers are considering a revised pay offer which would increase the industry's minimum rate by more than 30 per cent. Page 7

NUR will recommend its members to go on strike if the arbitration tribunal considering its 30 per cent pay claim does not propose a sufficient award. Page 7

NATIONAL Association of Justices Clerks' Assistants wants a substantial pay rise in July followed by talks on a new salary structure.

NISSAN, the Japanese manufacturer of Datsun cars, shipped 13,039 vehicles to Britain last month, an all-time record and more than 10 times as many as its shipment in April 1974. Page 4

COMPANIES

BURMAH Shareholders Action Group plans to call its own shareholders' meeting an hour before the Burma AGM. Page 4

HAMMERSON PROPERTY and Investment Trust directors have had to reappraise completely objectives and future policies in the light of events of the past year, chairman Mr. S. Mason says. Page 24 and Lex

FEATURES

Africa's real losers 10
Bogus cures for sterling slide 19

ON OTHER PAGES
Appointments Adv. 4
Base Landing News 2
Bullish Notes 2
Company News 20, 21, 24
Crawford 2
Economic World 2
Financial Diary 4, 21
Health News 21, 22
Int. Property 11-18

FT SURVEY
International Property 11-18

Week's Diary 4
Weather 7
ANNUAL STATEMENTS
Clarke Chairman 24
Dunlop's Bank 24
John-Coy News 24
Nose Concoction 24
Sellers 24
INTERIM STATEMENT
Aberdeen Trust 29

For latest Share Index: phone 01-246-8036

Mixed reception for Jack Jones' plan

Pressure grows for new measures on wage restraint

BY JOHN BOURNE AND ROY ROGERS

The increasing pressure on the Government to take measures to reduce the level of settlements in the next round of annual pay negotiations due to begin in the autumn is understood to be a major influence behind plans for a revised form of voluntary wage restraint put forward by Mr. Jack Jones, general secretary of the Transport and General Workers Union.

Although his proposals, which include a flat rate increase related to the cost of living, drew criticism from some other unions yesterday, they indicate the growing awareness among union leaders of the need to trim pay settlements from the present level of about 30 per cent—a figure way above the 20 per cent set by the social contract wage guidelines.

Mr. Denis Healey, Chancellor of the Exchequer, and other senior Ministers, will try to persuade the unions to exercise restraint voluntarily, and to-day's meeting of the Labour Party TUC liaison committee will be part of this process.

Mr. Healey, who will attend the meeting, is believed to regard as hopeful Mr. Jones' call for a new wage pact. One high Whitehall source said yesterday that it would be very encouraging if all workers and employers could accept Mr. Jones' formula—linking wage rises to the cost of living and average earnings.

"On the cost of living basis, this would mean wage increases of 10 per cent, less than we have been having in the current wage round," he added.

He also thought that the Prime Minister had shown he was willing.

But he made it clear that he saw little chance of preventing unions that had not yet made new wage settlements this year from achieving increases similar to those already conceded to other groups of workers.

"We cannot realistically expect a substantial reduction in the next month or so," he said.

Also he seemed still to be convinced that a voluntary, rather than a statutory approach to wage restraint, was the only solution.

The reaction of Treasury Ministers in London was that Mr. Healey's approach did not have in mind any package of emergency measures after the Common Market referendum on June 6. Any package, it was said, would be kept in reserve until the Government and the TUC talks on new wage guidelines for the next round of claims had broken down, if they did.

Such a package, it was maintained, would have to include an even more severe cutback in expenditure on the social services, although it was stressed that the Treasury had not yet

Continued on Back Page

Editorial comment Page 10

Freeze

It was something which could help Britain in the long-run situation, he added, and would be discussed at today's meeting with the TUC.

He appeared less enthusiastic about Mr. Jones' proposal for a revised form of wage restraint, which would be taking measures to ensure that the rate of wage inflation next year was a good deal lower than in this one.

At the week-end Mr. Healey, in an American TV interview recorded in London last week, repeatedly assured U.S. viewers that the Labour Government was committed to a policy of wage restraint.

He also thought that the Prime Minister had shown he was willing.

Major AUEW row likely over Scanlon vote ruling

BY ROY ROGERS, LABOUR CORRESPONDENT

A MAJOR ROW involving the possibility of legal action is about to erupt in the already politically split Amalgamated Union of Engineering Workers after a week-end ruling by its Left-wing president, Mr. Hugh Scanlon, which signalled the end of the postal system of electing AUEW officials.

Yesterday Mr. John Boyd, staunch anti-Communist AUEW executive member who is expected to be declared AUEW general secretary when the results of what may be one of the union's last postal ballots are announced, predicted a "terrible groundswell" of opposition to Mr. Scanlon's decision.

He felt the opposition would be such that the union's national executive would be obliged to recall the union's rules revision conference—not due to meet for another five years—to reconsider the postal system.

However, Mr. Boyd's expected success in the election for general secretary could, ironically, prevent this happening, for as general secretary he would lose his vote on the executive.

Until an election is held to fill Mr. Boyd's Scottish executive seat, the executive would be balanced evenly with the Left and Right with three votes each and Mr. Scanlon holding the casting vote.

The union used to elect its 180

officials by votes conducted at branch meetings which tend to be well attended by militants but attract few others, a system which was steadily drifting the union towards the Left. But five years ago the 52-man rules revision conference decided, by ballot, although this was obviously very much in their minds.

Under the postal system, at least three long-serving Communist AUEW officials have been unseated and in the first round of the election for general secretary Left-wing candidate Mr. Bob Wright came well behind Mr. Boyd, who had made several unsuccessful challenges for Mr. Scanlon's post under the old system.

Neither side disputes the fact that under the postal system the level of participation in AUEW ballots—which, for almost all posts, come round every three years—has jumped from about 5 per cent to about 30 per cent.

On past form, this is now expected to revert to the old levels which should give the Left the opportunity to strengthen its dwindling influence in Britain's second largest union.

Much of the argument over cost would be removed if a proposed amendment to the Employment Protection Bill, this would allow Government financial support for postal balloting in the more vulnerable to inter-

ference from outside influences including the media.

They did not mention the fact that under the postal system their own influence has declined and that Left-Wingers have made a very poor showing in recent years, although this was obviously very much in their minds.

Under the postal system, at least three long-serving Communist AUEW officials have been unseated and in the first round of the election for general secretary Left-wing candidate Mr. Bob Wright came well behind Mr. Boyd, who had made several unsuccessful challenges for Mr. Scanlon's post under the old system.

Neither side disputes the fact that under the postal system the level of participation in AUEW ballots—which, for almost all posts, come round every three years—has jumped from about 5 per cent to about 30 per cent.

On past form, this is now expected to revert to the old levels which should give the Left the opportunity to strengthen its dwindling influence in Britain's second largest union.

Much of the argument over cost would be removed if a proposed amendment to the Employment Protection Bill, this would allow Government financial support for postal balloting in the more vulnerable to inter-

ference from outside influences including the media.

They did not mention the fact that under the postal system their own influence has declined and that Left-Wingers have made a very poor showing in recent years, although this was obviously very much in their minds.

Benn opposes Herbert plan

By Kenneth Gooding, Industrial Correspondent

CLOSURE OF machine tool group Alfred Herbert's Red Lane, Coventry, factory with the loss of about 450 jobs is being strongly opposed by Mr. Anthony Wedgwood Benn, Secretary of Industry, during the present talks about the financial rescue operation for the company. Mr. Benn said yesterday that his department's proposals on Alfred Herbert would go this week to his Industrial Advisory Board.

The Red Lane plant was at the centre of the only disagreement between Herbert's management and unions when they presented joint proposals to Mr. Benn 18 days ago.

The Herbert employees argue that Red Lane should be kept open on strategic grounds because it is the only factory in Britain making heavy grinding machines for the steel industry.

Mr. Benn, according to unofficial reports of recent meetings between Government, management and unions has come down firmly on the side of the employees in disagreement about Red Lane.

Apart from the Herbert management, consultants Pest, Marwick, Mitchell and Co. in an interim report have also maintained that without closure of Red Lane and the radical reorganisation this would involve, a commercially acceptable scheme for the company could be produced.

Mr. Benn has apparently insisted that Red Lane should continue operating, however long this might delay Herbert's return to profitability.

Shah predicts autumn rise in oil price

BY PAUL LEWIS, U.S. EDITOR

WASHINGTON, May 18.

A FURTHER rise in the world price of oil this September was predicted here over the weekend by the Shah of Iran at the end of his State visit to the U.S.

At a Press conference yesterday the Shah said that he expected the nations of the Organisation of Petroleum Exporting Countries to increase the oil price again in order to compensate, at least partially, for recent inflation.

He claimed that world inflation had already robbed the oil producers of some 30 to 35 per cent of the purchasing power of their revenues—although he did not believe that the price of oil would be raised by this amount.

However, he pointed out that OPEC has only agreed to maintain current prices until September, adding "I would not be surprised if there was an increase in prices then."

The Shah said he still believed that the world oil price should be tied in some way to the rate of global inflation and he professed to be undismayed by Dr. Kissinger's firm rejection of such indexing in his Kansas City speech on raw material prices last week.

The Shah also professed to be quite unconcerned by Western attempts to break the OPEC cartel by reducing its consumption of oil. He said that OPEC declared a nuclear-free zone over BSC's plans has been a preventive of a real oil shortage and that current talk of excess supply was "more propaganda than reality."

If there was any excess of supply at the moment, he attributed it to the mild winter in Europe and the general economic

recession in the West. Should Iran be forced to cut output further by conservation in the consuming countries, the Shah warned that he would merely reduce aid to other developing nations, like India, Pakistan and Egypt.

The Shah predicted that the world oil reserves would last only another 25 to 30 years and he therefore encouraged the development of alternative energy sources, including coal, tar sands and atomic energy.

Nuclear

He confirmed that Iran still wants to build a chain of nuclear power plants, at least eight of which would be purchased from the U.S.

However, final agreement on this sale is being held up by a dispute over Iran's insistence that it should also be allowed to build a nuclear fuel reprocessing plant, which would permit it to separate plutonium and uranium from spent fuel.

Both substances can be used for making new fuel or atomic weapons. But the Shah insisted yesterday that Iran still stood by its pledge not to acquire atomic weapons under the nuclear non-proliferation treaty—and that he would like to see the Gulf area declared a nuclear-free zone.

The American take the view that a reprocessing plant would not become economical until supply was "more propaganda than reality."

If there was any excess of supply at the moment, he attributed it to the mild winter in Europe and the general economic

BSC jobs compromise likely

BY LORELIES OLSLAGER, LABOUR STAFF

THE BRITISH Steel Corporation is expected to tell trade union leaders today that it is prepared to modify its controversial plan for more than 20,000 redundancies this year, thus possibly opening the way for a mutually agreed solution.

Representatives of unions interested in the steel industry will formally tell the corporation that they reject the plan for immediate closure of high-cost works and redundancies announced two weeks ago.

As an alternative, the TUC committee will say it is prepared to consider voluntary redundancies where overmanning exists, provided there is full consultation at local level, and way to the search for a compromise.

At the moment, it is estimated that BSC pays more than £50m. and Steel Trades Confederation, Vale," he said.

in overtime a year, and a high proportion of this cost could be eliminated under the union's plan.

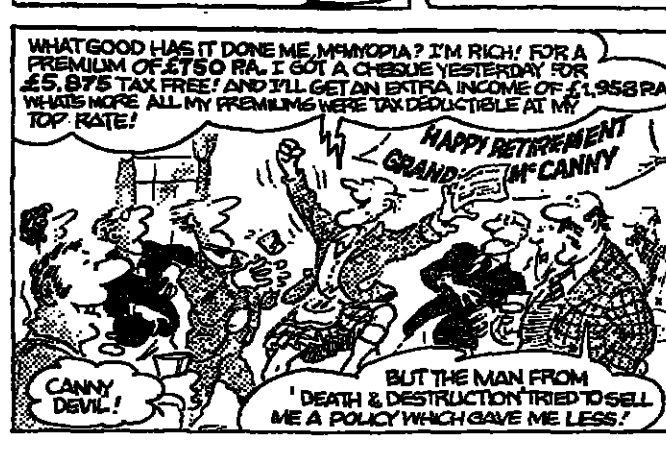
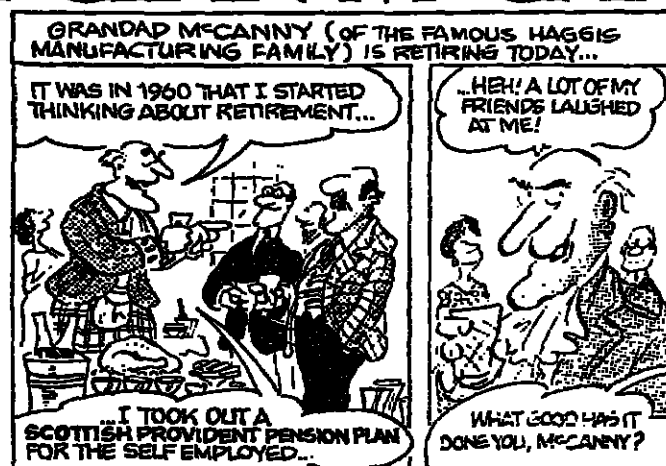
The unions will also urge the corporation to share out the available work between high and low cost plants.

BSC is believed to have already studied the unions' plans, particularly the prospects for voluntary redundancies, and natural wastage. It is also examining sharing work between high- and low-cost plants.

Most unions are said to be confident that the spirit of bitterness in which the debate over BSC's plans has been conducted so far will today give consultation at local level, and way to the search for a compromise.

Mr. Bill Sirs, the incoming general secretary of the Iron and Steel Trades Confederation, Vale," he said.

THE CLAN MCCANNY



SCOTTISH PROVIDENT
You call it canny, we call it Provident.

LOMBARD

Invalidating the referendum

BY C. GORDON TETHER

THE PURPOSE of the Common Market referendum is, of course, to let the British people decide, once and for all, whether they want to participate in the "European Vision" or retain the independence they have enjoyed for a thousand years. It will be a great pity if, in the end, it fails to achieve this objective because it has become possible to argue—with justice—that it was conducted under conditions which effectively rendered the outcome constitutionally invalid.

Yet the fact is that this is precisely the situation we seem to be heading for—thanks to the Government's failure to insist that the precautions taken to see that democratic processes are not interfered with at General Elections have an even greater relevance to a vote that is concerned with an issue of an epoch-making character.

Last Monday I drew attention to the affront to democracy which is implicit in the fact that absolutely no attempt is being made to establish a balance between the sums of money that the two sides of the referendum campaign can deploy for propaganda purposes—the actual figures are to be revealed only after the voting is over when, of course, it will be too late to do anything about the disparity.

The result is that, in this field, the pro-Market—with the money-bags of the whole of the EEC's business system to call on—are operating at an immense advantage over their opponents.

Influence

In this article, I want to ring round another scandal that in some senses even more deplorable—the exercise of "undue influence" on voters' behaviour. Mr. Frere-Smith, head of the Get Britain Out Referendum Campaign, pointed to one form of "immoral pressure" of this kind when he asserted recently that there are people in banks, insurance companies, industrial companies and other business bodies who would like to work for the anti-Market cause but are terrified of what would happen if they were seen to be doing so.

In many cases the fear arises because their organisations have publicly identified themselves with a pro-Market cause. They know that they are going to be more than a little unpopular with their superiors if they are spotted "aiding the enemy." In other cases—and I have myself met a number of people who have been "immobilised" in this way—it has been specifically made clear to employees that their involvement in political activity during the referendum campaign period was not desired. This is bad enough. But what is even more lamentable is the

With impunity

The rules that govern General Elections in this country stipulate that the offer or promise of a situation or employment to a person with the intention of influencing the way in which he votes is bribery. They also lay down that, to make use of any force, violence or restraint in order to influence another person's voting behaviour is to be guilty of a corrupt practice. The same applies to inflicting any damage, harm or loss on another person for the same purpose.

Thus in a General Election, the action of an employer in instructing his staff to vote in one way rather than another as a means of keeping their jobs might well be held to be bribery. Similarly, trying to get votes by threatening workers with harm or damage arising from the scaling down of industrial plants or their transfer elsewhere could well attract a charge of corruption.

Sadly, the Government is behaving as though such mischiefs can be perpetrated with impunity in the referendum. Yet the fact that "authority" is sanctioning such affronts to democracy does not mean that they have to be accepted without question. And if the referendum does result in a "yes" outcome, anti-Market voters will certainly be on good ground in holding the result null and void by reason of the malpractices the victors employed to achieve it.

In any case, one would have thought that a vote to stay in the EEC procured in such fashion would be a decidedly unsatisfactory political base from which to move forward into the great unknown of European integration.

THE WEEK IN THE COURTS

Striking a balance on contract damages

BY JUSTINIAN

A PERSON who has suffered loss as a result of a breach of contract can always come to the courts and ask for damages. That may often be a long and uncertain process. And so the law offers an alternative, particularly where damages would be an inadequate remedy, in the form of an interlocutory injunction. This is a speedy remedy whereby the wrongdoer may be directed to refrain from doing something until the trial of the action. Often the obtaining of the interlocutory injunction concludes the issue; the party wronged is content to prevent any further damage.

The Court of Appeal last week in *Hubbard v. Pitt and others*, by a majority, granted, pending the trial of the action, an injunction to a firm of estate agents in Islington to stop members of a tenants' association from picketing outside the estate agents' office in Islington's main shopping street protesting against the practices of the estate agents.

The principles upon which courts are currently willing to step in and order one party to desist from causing loss to another have become the subject of much controversy. The understanding of the legal profession was that the person invoking the aid of the courts had to make out a prima facie case that he had a good chance of winning the case, if and when it came to trial.

The House of Lords held that the courts no longer had, first, to ask themselves whether the complainant had made out a prima facie case. He had only to satisfy the court that there was a serious issue to be tried. If there was, the court should act to preserve the status quo, thus making life considerably easier for complainants.

The trouble about the newly-formulated principle is that an interlocutory injunction might be given to a party that would more often fail to succeed in its claim at trial. Thus an injustice would be perpetrated upon the party injured, even though the person falling ultimately in his action would have to pay damages for wrongly obtaining the injunction in the first place.

Where injunctions are sought for breaches of contract, the alternative remedy of damages may be anticipated by the contracting parties in their contract. Their contract may provide for the payment of a sum of money by one party to the other in the event of the former's breach of contract. Such a stipulation of the amount payable in the event of breach has obvious advantages, in that it avoids the difficult task of assessing the actual damages suffered, if and when

the court comes to make the award. The disadvantage is that the stipulated sum may in fact be vastly in excess of what actually turns out to be the loss suffered. For a long time the courts have adopted an interventionist attitude. They have exercised power to decide whether or not the agreed sum should be payable. Recognising the potential injustices that would be perpetrated by the law as it stood, a distinction between "liquidated damages" which are recoverable, and a "penalty" which is not, was drawn. But when is a stipulated sum of money a penalty, and thus irrecoverable? The answer of the courts has been, when the liquidated damages are a genuine pre-estimate of damage.

Now the Law Commission, in a working Paper, has reviewed the law on the subject, and come up with the conclusion that there should be no radical change in the present law relating to penalty clauses in contracts. But in view of the discussion currently going on by legal experts assembling at Strasbourg at the Council of Europe, the Law Commission asks for comments on the use of penalty clauses.

The Law Commission rejects two possible reforms. It does not advocate a hands-off policy, enforcing penalty clauses without any judicial control. It similarly rejects the idea that non should be enforced. The choice lies between enforcing the stipulated damages if they are reasonable at the time when they are contractually made, and enforcing them if reasonable in the light of all the circumstances, including in particular the actual breach.

The Law Commission endorses the current policy of the courts that some intervention is desirable. But intervention should be confined to cases where the inquiry as to the post-breach moment when the agreed damages are potentially payable. To judge the validity of a penalty clause by reference to circumstances as they exist after the breach would mean the introduction of a high degree of uncertainty, when the precise object of fixing the amount of damages to be payable is to provide certainty. The Law Commission is unpersuaded that the breach would mean the introduction of a high degree of uncertainty, when the precise object of fixing the amount of damages to be payable is to provide certainty. The Law Commission is unpersuaded that the breach would mean the introduction of a high degree of uncertainty, when the precise object of fixing the amount of damages to be payable is to provide certainty.

Working Paper No. 61: Penalty Clauses and Forfeiture of Monies Paid (HMSO, 55p)

7.50 Coronation Street. 8.00 Last of the Old Outside. 8.10 Last of the Old Outside. 8.20 Six Days of Justice. 10.00 News. 10.10 The Brussels HQ. 10.20 The Brussels HQ. 10.30 The Brussels HQ. 10.40 The Brussels HQ. 10.50 The Brussels HQ. 11.00 The Brussels HQ. 11.10 The Brussels HQ. 11.20 The Brussels HQ. 11.30 The Brussels HQ. 11.40 The Brussels HQ. 11.50 The Brussels HQ. 12.00 The Brussels HQ. 12.10 The Brussels HQ. 12.20 The Brussels HQ. 12.30 The Brussels HQ. 12.40 The Brussels HQ. 12.50 The Brussels HQ. 1.00 The Brussels HQ. 1.10 The Brussels HQ. 1.20 The Brussels HQ. 1.30 The Brussels HQ. 1.40 The Brussels HQ. 1.50 The Brussels HQ. 2.00 The Brussels HQ. 2.10 The Brussels HQ. 2.20 The Brussels HQ. 2.30 The Brussels HQ. 2.40 The Brussels HQ. 2.50 The Brussels HQ. 3.00 The Brussels HQ. 3.10 The Brussels HQ. 3.20 The Brussels HQ. 3.30 The Brussels HQ. 3.40 The Brussels HQ. 3.50 The Brussels HQ. 4.00 The Brussels HQ. 4.10 The Brussels HQ. 4.20 The Brussels HQ. 4.30 The Brussels HQ. 4.40 The Brussels HQ. 4.50 The Brussels HQ. 5.00 The Brussels HQ. 5.10 The Brussels HQ. 5.20 The Brussels HQ. 5.30 The Brussels HQ. 5.40 The Brussels HQ. 5.50 The Brussels HQ. 6.00 The Brussels HQ. 6.10 The Brussels HQ. 6.20 The Brussels HQ. 6.30 The Brussels HQ. 6.40 The Brussels HQ. 6.50 The Brussels HQ. 7.00 The Brussels HQ. 7.10 The Brussels HQ. 7.20 The Brussels HQ. 7.30 The Brussels HQ. 7.40 The Brussels HQ. 7.50 The Brussels HQ. 8.00 The Brussels HQ. 8.10 The Brussels HQ. 8.20 The Brussels HQ. 8.30 The Brussels HQ. 8.40 The Brussels HQ. 8.50 The Brussels HQ. 9.00 The Brussels HQ. 9.10 The Brussels HQ. 9.20 The Brussels HQ. 9.30 The Brussels HQ. 9.40 The Brussels HQ. 9.50 The Brussels HQ. 10.00 The Brussels HQ. 10.10 The Brussels HQ. 10.20 The Brussels HQ. 10.30 The Brussels HQ. 10.40 The Brussels HQ. 10.50 The Brussels HQ. 11.00 The Brussels HQ. 11.10 The Brussels HQ. 11.20 The Brussels HQ. 11.30 The Brussels HQ. 11.40 The Brussels HQ. 11.50 The Brussels HQ. 12.00 The Brussels HQ. 12.10 The Brussels HQ. 12.20 The Brussels HQ. 12.30 The Brussels HQ. 12.40 The Brussels HQ. 12.50 The Brussels HQ. 1.00 The Brussels HQ. 1.10 The Brussels HQ. 1.20 The Brussels HQ. 1.30 The Brussels HQ. 1.40 The Brussels HQ. 1.50 The Brussels HQ. 2.00 The Brussels HQ. 2.10 The Brussels HQ. 2.20 The Brussels HQ. 2.30 The Brussels HQ. 2.40 The Brussels HQ. 2.50 The Brussels HQ. 3.00 The Brussels HQ. 3.10 The Brussels HQ. 3.20 The Brussels HQ. 3.30 The Brussels HQ. 3.40 The Brussels HQ. 3.50 The Brussels HQ. 4.00 The Brussels HQ. 4.10 The Brussels HQ. 4.20 The Brussels HQ. 4.30 The Brussels HQ. 4.40 The Brussels HQ. 4.50 The Brussels HQ. 5.00 The Brussels HQ. 5.10 The Brussels HQ. 5.20 The Brussels HQ. 5.30 The Brussels HQ. 5.40 The Brussels HQ. 5.50 The Brussels HQ. 6.00 The Brussels HQ. 6.10 The Brussels HQ. 6.20 The Brussels HQ. 6.30 The Brussels HQ. 6.40 The Brussels HQ. 6.50 The Brussels HQ. 7.00 The Brussels HQ. 7.10 The Brussels HQ. 7.20 The Brussels HQ. 7.30 The Brussels HQ. 7.40 The Brussels HQ. 7.50 The Brussels HQ. 8.00 The Brussels HQ. 8.10 The Brussels HQ. 8.20 The Brussels HQ. 8.30 The Brussels HQ. 8.40 The Brussels HQ. 8.50 The Brussels HQ. 9.00 The Brussels HQ. 9.10 The Brussels HQ. 9.20 The Brussels HQ. 9.30 The Brussels HQ. 9.40 The Brussels HQ. 9.50 The Brussels HQ. 10.00 The Brussels HQ. 10.10 The Brussels HQ. 10.20 The Brussels HQ. 10.30 The Brussels HQ. 10.40 The Brussels HQ. 10.50 The Brussels HQ. 11.00 The Brussels HQ. 11.10 The Brussels HQ. 11.20 The Brussels HQ. 11.30 The Brussels HQ. 11.40 The Brussels HQ. 11.50 The Brussels HQ. 12.00 The Brussels HQ. 12.10 The Brussels HQ. 12.20 The Brussels HQ. 12.30 The Brussels HQ. 12.40 The Brussels HQ. 12.50 The Brussels HQ. 1.00 The Brussels HQ. 1.10 The Brussels HQ. 1.20 The Brussels HQ. 1.30 The Brussels HQ. 1.40 The Brussels HQ. 1.50 The Brussels HQ. 2.00 The Brussels HQ. 2.10 The Brussels HQ. 2.20 The Brussels HQ. 2.30 The Brussels HQ. 2.40 The Brussels HQ. 2.50 The Brussels HQ. 3.00 The Brussels HQ. 3.10 The Brussels HQ. 3.20 The Brussels HQ. 3.30 The Brussels HQ. 3.40 The Brussels HQ. 3.50 The Brussels HQ. 4.00 The Brussels HQ. 4.10 The Brussels HQ. 4.20 The Brussels HQ. 4.30 The Brussels HQ. 4.40 The Brussels HQ. 4.50 The Brussels HQ. 5.00 The Brussels HQ. 5.10 The Brussels HQ. 5.20 The Brussels HQ. 5.30 The Brussels HQ. 5.40 The Brussels HQ. 5.50 The Brussels HQ. 6.00 The Brussels HQ. 6.10 The Brussels HQ. 6.20 The Brussels HQ. 6.30 The Brussels HQ. 6.40 The Brussels HQ. 6.50 The Brussels HQ. 7.00 The Brussels HQ. 7.10 The Brussels HQ. 7.20 The Brussels HQ. 7.30 The Brussels HQ. 7.40 The Brussels HQ. 7.50 The Brussels HQ. 8.00 The Brussels HQ. 8.10 The Brussels HQ. 8.20 The Brussels HQ. 8.30 The Brussels HQ. 8.40 The Brussels HQ. 8.50 The Brussels HQ. 9.00 The Brussels HQ. 9.10 The Brussels HQ. 9.20 The Brussels HQ. 9.30 The Brussels HQ. 9.40 The Brussels HQ. 9.50 The Brussels HQ. 10.00 The Brussels HQ. 10.10 The Brussels HQ. 10.20 The Brussels HQ. 10.30 The Brussels HQ. 10.40 The Brussels HQ. 10.50 The Brussels HQ. 11.00 The Brussels HQ. 11.10 The Brussels HQ. 11.20 The Brussels HQ. 11.30 The Brussels HQ. 11.40 The Brussels HQ. 11.50 The Brussels HQ. 12.00 The Brussels HQ. 12.10 The Brussels HQ. 12.20 The Brussels HQ. 12.30 The Brussels HQ. 12.40 The Brussels HQ. 12.50 The Brussels HQ. 1.00 The Brussels HQ. 1.10 The Brussels HQ. 1.20 The Brussels HQ. 1.30 The Brussels HQ. 1.40 The Brussels HQ. 1.50 The Brussels HQ. 2.00 The Brussels HQ. 2.10 The Brussels HQ. 2.20 The Brussels HQ. 2.30 The Brussels HQ. 2.40 The Brussels HQ. 2.50 The Brussels HQ. 3.00 The Brussels HQ. 3.10 The Brussels HQ. 3.20 The Brussels HQ. 3.30 The Brussels HQ. 3.40 The Brussels HQ. 3.50 The Brussels HQ. 4.00 The Brussels HQ. 4.10 The Brussels HQ. 4.20 The Brussels HQ. 4.30 The Brussels HQ. 4.40 The Brussels HQ. 4.50 The Brussels HQ. 5.00 The Brussels HQ. 5.10 The Brussels HQ. 5.20 The Brussels HQ. 5.30 The Brussels HQ. 5.40 The Brussels HQ. 5.50 The Brussels HQ. 6.00 The Brussels HQ. 6.10 The Brussels HQ. 6.20 The Brussels HQ. 6.30 The Brussels HQ. 6.40 The Brussels HQ. 6.50 The Brussels HQ. 7.00 The Brussels HQ. 7.10 The Brussels HQ. 7.20 The Brussels HQ. 7.30 The Brussels HQ. 7.40 The Brussels HQ. 7.50 The Brussels HQ. 8.00 The Brussels HQ. 8.10 The Brussels HQ. 8.20 The Brussels HQ. 8.30 The Brussels HQ. 8.40 The Brussels HQ. 8.50 The Brussels HQ. 9.00 The Brussels HQ. 9.10 The Brussels HQ. 9.20 The Brussels HQ. 9.30 The Brussels HQ. 9.40 The Brussels HQ. 9.50 The Brussels HQ. 10.00 The Brussels HQ. 10.10 The Brussels HQ. 10.20 The Brussels HQ. 10.30 The Brussels HQ. 10.40 The Brussels HQ. 10.50 The Brussels HQ. 11.00 The Brussels HQ. 11.10 The Brussels HQ. 11.20 The Brussels HQ. 11.30 The Brussels HQ. 11.40 The Brussels HQ. 11.50 The Brussels HQ. 12.00 The Brussels HQ. 12.10 The Brussels HQ. 12.20 The Brussels HQ. 12.30 The Brussels HQ. 12.40 The Brussels HQ. 12.50 The Brussels HQ. 1.00 The Brussels HQ. 1.10 The Brussels HQ. 1.20 The Brussels HQ. 1.30 The Brussels HQ. 1.40 The Brussels HQ. 1.50 The Brussels HQ. 2.00 The Brussels HQ. 2.10 The Brussels HQ. 2.20 The Brussels HQ. 2.30 The Brussels HQ. 2.40 The Brussels HQ. 2.50 The Brussels HQ. 3.00 The Brussels HQ. 3.10 The Brussels HQ. 3.20 The Brussels HQ. 3.30 The Brussels HQ. 3.40 The Brussels HQ. 3.50 The Brussels HQ. 4.00 The Brussels HQ. 4.10 The Brussels HQ. 4.20 The Brussels HQ. 4.30 The Brussels HQ. 4.40 The Brussels HQ. 4.50 The Brussels HQ. 5.00 The Brussels HQ. 5.10 The Brussels HQ. 5.20 The Brussels HQ. 5.30 The Brussels HQ. 5.40 The Brussels HQ. 5.50 The Brussels HQ. 6.00 The Brussels HQ. 6.10 The Brussels HQ. 6.20 The Brussels HQ. 6.30 The Brussels HQ. 6.40 The Brussels HQ. 6.50 The Brussels HQ. 7.00 The Brussels HQ. 7.10 The Brussels HQ. 7.20 The Brussels HQ. 7.30 The Brussels HQ. 7.40 The Brussels HQ. 7.50 The Brussels HQ. 8.00 The Brussels HQ. 8.10 The Brussels HQ. 8.20 The Brussels HQ. 8.30 The Brussels HQ. 8.40 The Brussels HQ. 8.50 The Brussels HQ. 9.00 The Brussels HQ. 9.10 The Brussels HQ. 9.20 The Brussels HQ. 9.30 The Brussels HQ. 9.40 The Brussels HQ. 9.50 The Brussels HQ. 10.00 The Brussels HQ. 10.10 The Brussels HQ. 10.20 The Brussels HQ. 10.30 The Brussels HQ. 10.40 The Brussels HQ. 10.50 The Brussels HQ. 11.00 The Brussels HQ. 11.10 The Brussels HQ. 11.20 The Brussels HQ. 11.30 The Brussels HQ. 11.40 The Brussels HQ. 11.50 The Brussels HQ. 12.00 The Brussels HQ. 12.10 The Brussels HQ. 12.20 The Brussels HQ. 12.30 The Brussels HQ. 12.40 The Brussels HQ. 12.50 The Brussels HQ. 1.00 The Brussels HQ. 1.10 The Brussels HQ. 1.20 The Brussels HQ. 1.30 The Brussels HQ. 1.40 The Brussels HQ. 1.50 The Brussels HQ. 2.00 The Brussels HQ. 2.10 The Brussels HQ. 2.20 The Brussels HQ. 2.30 The Brussels HQ. 2.40 The Brussels HQ. 2.50 The Brussels HQ. 3.00 The Brussels HQ. 3.10 The Brussels HQ. 3.20 The Brussels HQ. 3.30 The Brussels HQ. 3.40 The Brussels HQ. 3.50 The Brussels HQ. 4.00 The Brussels HQ. 4.10 The Brussels HQ. 4.20 The Brussels HQ. 4.30 The Brussels HQ. 4.40 The Brussels HQ. 4.50 The Brussels HQ. 5.00 The Brussels HQ. 5.10 The Brussels HQ. 5.20 The Brussels HQ. 5.30 The Brussels HQ. 5.40 The Brussels HQ. 5.50 The Brussels HQ. 6.00 The Brussels HQ. 6.10 The Brussels HQ. 6.20 The Brussels HQ. 6.30 The Brussels HQ. 6.40 The Brussels HQ. 6.50 The Brussels HQ. 7.00 The Brussels HQ. 7.10 The Brussels HQ. 7.20 The Brussels HQ. 7.30 The Brussels HQ. 7.40 The Brussels HQ. 7.50 The Brussels HQ. 8.00 The Brussels HQ. 8.10 The Brussels HQ. 8.20 The Brussels HQ. 8.30 The Brussels HQ. 8.40 The Brussels HQ. 8.50 The Brussels HQ. 9.00 The Brussels HQ. 9.10 The Brussels HQ. 9.20 The Brussels HQ. 9.30 The Brussels HQ. 9.40 The Brussels HQ. 9.50 The Brussels HQ. 10.00 The Brussels HQ. 10.10 The Brussels HQ. 10.20 The Brussels HQ. 10.30 The Brussels HQ. 10.40 The Brussels HQ. 10.50 The Brussels HQ. 11.00 The Brussels HQ. 11.10 The Brussels HQ. 11.20 The Brussels HQ. 11.30 The Brussels HQ. 11.40 The Brussels HQ. 11.50 The Brussels HQ. 12.00 The Brussels HQ. 12.10 The Brussels HQ. 12.20 The Brussels HQ. 12.30 The Brussels HQ. 12.40 The Brussels HQ. 12.50 The Brussels HQ. 1.00 The Brussels HQ. 1.10 The Brussels HQ. 1.20 The Brussels HQ. 1.30 The Brussels HQ. 1.40 The Brussels HQ. 1.50 The Brussels HQ. 2.00 The Brussels HQ. 2.10 The Brussels HQ. 2.20 The Brussels HQ. 2.30 The Brussels HQ. 2.40 The Brussels HQ. 2.50 The Brussels HQ. 3.00 The Brussels HQ. 3.10 The Brussels HQ. 3.20 The Brussels HQ. 3.30 The Brussels HQ. 3.40 The Brussels HQ. 3.50 The Brussels HQ. 4.00 The Brussels HQ. 4.10 The Brussels HQ. 4.20 The Brussels HQ. 4.30 The Brussels HQ. 4.40 The Brussels HQ. 4.50 The Brussels HQ. 5.00 The Brussels HQ. 5.10 The Brussels HQ. 5.20 The Brussels HQ. 5.30 The Brussels HQ. 5.40 The Brussels HQ. 5.50 The Brussels HQ. 6.00 The Brussels HQ. 6.10 The Brussels HQ. 6.20 The Brussels HQ. 6.30 The Brussels HQ. 6.40 The Brussels HQ. 6.50 The Brussels HQ. 7.00 The Brussels HQ. 7.10 The Brussels HQ. 7.20 The Brussels HQ. 7.30 The Brussels HQ. 7.40 The Brussels HQ. 7.50 The Brussels HQ. 8.00 The Brussels HQ. 8.10 The Brussels HQ. 8.20 The Brussels HQ. 8.30 The Brussels HQ. 8.40 The Brussels HQ. 8.50 The Brussels HQ. 9.00 The Brussels HQ. 9.10 The Brussels HQ. 9.20 The Brussels HQ. 9.30 The Brussels HQ. 9.40 The Brussels HQ. 9.50 The Brussels HQ. 10.00 The Brussels HQ. 10.10 The Brussels HQ. 10.20 The Brussels HQ. 10.30 The Brussels HQ. 10.40 The Brussels HQ. 10.50 The Brussels HQ. 11.00 The Brussels HQ. 11.10 The Brussels HQ. 11.20 The Brussels HQ. 11.30 The Brussels HQ. 11.40 The Brussels HQ. 11.50 The Brussels HQ. 12.00 The Brussels HQ. 12.10 The Brussels HQ. 12.20 The Brussels HQ. 12.30 The Brussels HQ. 12.40 The Brussels HQ. 12.50 The Brussels HQ. 1.00 The Brussels HQ. 1.10 The Brussels HQ. 1.20 The Brussels HQ. 1.30 The Brussels HQ. 1.40 The Brussels HQ. 1.50 The Brussels HQ. 2.00 The Brussels HQ. 2.10 The Brussels HQ. 2.20 The Brussels HQ. 2.30 The Brussels HQ. 2.40 The Brussels HQ. 2.50 The Brussels HQ. 3.00 The Brussels HQ. 3.10 The Brussels HQ. 3.20 The Brussels HQ. 3.30 The Brussels HQ. 3.40 The Brussels HQ. 3.50 The Brussels HQ. 4.00 The Brussels HQ. 4.10 The Brussels HQ. 4.20 The Brussels HQ. 4.30 The Brussels HQ. 4.40 The Brussels HQ. 4.50 The Brussels HQ. 5.00 The Brussels HQ. 5.10 The Brussels HQ. 5.20 The Brussels HQ. 5.30 The Brussels HQ. 5.40 The Brussels HQ. 5.50 The Brussels HQ. 6.00 The Brussels HQ. 6.10 The Brussels HQ. 6.20 The Brussels HQ. 6.30 The Brussels HQ. 6.40 The Brussels HQ. 6.50 The Brussels HQ. 7.00 The Brussels HQ. 7.10 The Brussels HQ. 7.20 The Brussels HQ. 7.30 The Brussels HQ. 7.40 The Brussels HQ. 7.50 The Brussels HQ. 8.00 The Brussels HQ. 8.10 The Brussels HQ. 8.20 The Brussels HQ. 8.30 The Brussels HQ. 8.40 The Brussels HQ. 8.50 The Brussels HQ. 9.00 The Brussels HQ. 9.10 The Brussels HQ. 9.20 The Brussels HQ. 9.30 The Brussels HQ. 9.40 The Brussels HQ. 9.50 The Brussels HQ. 10.00 The Brussels HQ. 10.10 The Brussels HQ. 10.20 The Brussels HQ. 10.30 The Brussels HQ. 10.40 The Brussels HQ. 10.50 The Brussels HQ. 11.00 The Brussels HQ. 11.10 The Brussels HQ. 11.20 The Brussels HQ. 11.30 The Brussels HQ. 11.40 The Brussels HQ. 11.50 The Brussels HQ. 12.00 The Brussels HQ. 12.10 The Brussels HQ. 12.20 The Brussels HQ. 12.30 The Brussels HQ. 12.40 The Brussels HQ. 12.50 The Brussels HQ. 1.00 The Brussels HQ. 1.10 The Brussels HQ. 1.20 The Brussels HQ. 1.30 The Brussels HQ. 1.40 The Brussels HQ. 1.50 The Brussels HQ. 2.00 The Brussels HQ. 2.10 The Brussels HQ. 2.20 The Brussels HQ. 2.30 The Brussels HQ. 2.40 The Brussels HQ. 2.50 The Brussels HQ. 3.00 The Brussels HQ. 3.10 The Brussels HQ. 3.20 The Brussels HQ. 3.30 The Brussels HQ. 3.40 The Brussels HQ. 3.50 The Brussels HQ. 4.00 The Brussels HQ. 4.10 The Brussels HQ. 4.20 The Brussels HQ. 4.30 The Brussels HQ. 4.40 The Brussels HQ. 4.50 The Brussels HQ. 5.00 The Brussels HQ. 5.10 The Brussels HQ. 5.20 The Brussels HQ. 5.30 The Brussels HQ. 5.40 The Brussels HQ. 5.50 The Brussels HQ. 6.00 The Brussels HQ. 6.10 The Brussels HQ. 6.20 The Brussels HQ. 6.30 The Brussels HQ. 6.40 The Brussels HQ. 6.50 The Brussels HQ. 7.00 The Brussels HQ. 7.10 The Brussels HQ. 7.20 The Brussels HQ. 7.30 The Brussels HQ. 7.40 The Brussels HQ. 7.50 The Brussels HQ. 8.00 The Brussels HQ. 8.10 The Brussels HQ. 8.20 The Brussels HQ. 8.30 The Brussels HQ. 8.40 The Brussels HQ. 8.50 The Brussels HQ. 9.00 The Brussels HQ. 9.10 The Brussels HQ. 9.20 The Brussels HQ. 9.30 The Brussels HQ. 9.40 The Brussels HQ. 9.50 The Brussels HQ. 10.00 The Brussels HQ. 10.10 The Brussels HQ. 10.20 The Brussels HQ. 10.30 The Brussels HQ. 10.40 The Brussels HQ. 10.50 The Brussels HQ. 11.00 The Brussels HQ. 11.10 The Brussels HQ. 11.20 The Brussels HQ. 11.30 The Brussels HQ. 11.40 The Brussels HQ. 11.50 The Brussels HQ. 12.00 The Brussels HQ. 12.10 The Brussels HQ. 12.20 The Brussels HQ. 12.30 The Brussels HQ. 12.40 The Brussels HQ. 12.50 The Brussels HQ. 1.00 The Brussels HQ. 1.10 The Brussels HQ. 1.20 The Brussels HQ. 1.30 The Brussels HQ. 1.40 The Brussels HQ. 1.50 The Brussels HQ. 2.00 The Brussels HQ. 2.10 The Brussels HQ. 2.20 The Brussels HQ. 2.30 The Brussels HQ. 2.40 The Brussels HQ. 2.50 The Brussels HQ. 3.00 The Brussels HQ. 3.10 The Brussels HQ. 3.20 The Brussels HQ. 3.30 The Brussels HQ. 3.40 The Brussels HQ. 3.50 The Brussels HQ. 4.00 The Brussels HQ. 4.10 The Brussels HQ. 4.20 The Brussels HQ. 4.30 The Brussels HQ. 4.40 The Brussels HQ. 4.50 The Brussels HQ. 5.00 The Brussels HQ. 5.10 The Brussels HQ. 5.20 The Brussels HQ. 5.30 The Brussels HQ. 5.40 The Brussels HQ. 5.50 The Brussels HQ. 6.00 The Brussels HQ. 6.10 The Brussels HQ. 6.20 The Brussels HQ. 6.30 The Brussels HQ. 6.40 The Brussels HQ. 6.50 The Brussels HQ. 7.00 The Brussels HQ. 7.10 The Brussels HQ. 7.20 The Brussels HQ. 7.30 The Brussels HQ. 7.40 The Brussels HQ. 7.50 The Brussels HQ. 8.00 The Brussels HQ. 8.10 The Brussels HQ. 8.20 The Brussels HQ. 8.30 The Brussels HQ. 8.40 The Brussels HQ. 8.50 The Brussels HQ. 9.00 The Brussels HQ. 9.10 The Brussels HQ. 9.20 The Brussels HQ. 9.30 The Brussels HQ. 9.40 The Brussels HQ. 9.50 The Brussels HQ. 10.00 The Brussels HQ. 10.10 The Brussels HQ. 10.20 The Brussels HQ. 10.30 The Brussels HQ. 10.40 The Brussels HQ. 10.50 The Brussels HQ. 11.00 The Brussels HQ. 11.10 The Brussels HQ. 11.20 The Brussels HQ. 11.30 The Brussels HQ. 11.40 The Brussels HQ. 11.50 The Brussels HQ. 12.00 The Brussels HQ. 12.10 The Brussels HQ. 12.20 The Brussels HQ. 12.30 The Brussels HQ. 12.40 The Brussels HQ. 12.50 The Brussels HQ. 1.00 The Brussels HQ. 1.10 The Brussels HQ. 1.20 The Brussels HQ. 1.30 The Brussels HQ. 1.40 The Brussels HQ. 1.50 The Brussels HQ. 2.00 The Brussels HQ. 2.10 The Brussels HQ. 2.20 The Brussels HQ. 2.30 The Brussels HQ. 2.40 The Brussels HQ. 2.50 The Brussels HQ. 3.00 The Brussels HQ. 3.10 The Brussels HQ. 3.20 The Brussels HQ. 3.30 The Brussels HQ. 3.40 The Brussels HQ. 3.50 The Brussels HQ. 4.00 The Brussels HQ. 4.10 The Brussels HQ. 4.20 The Brussels HQ. 4.30 The Brussels HQ. 4.40 The Brussels HQ. 4.50 The Brussels HQ. 5.00 The Brussels HQ. 5.10 The Brussels HQ. 5.20 The Brussels HQ. 5.30 The Brussels HQ. 5.40 The Brussels HQ. 5.50 The Brussels HQ. 6.00 The Brussels HQ. 6.10 The Brussels HQ. 6.20 The Brussels HQ. 6.30 The Brussels HQ. 6.40 The Brussels HQ. 6.50 The Brussels HQ. 7.00 The Brussels HQ. 7.10 The Brussels HQ. 7.20 The Brussels HQ. 7.30 The Brussels HQ. 7.40 The Brussels HQ. 7.50 The Brussels HQ. 8.00 The Brussels HQ. 8.10 The Brussels HQ. 8.20 The Brussels HQ. 8.30 The Brussels HQ. 8.40 The Brussels HQ. 8.50 The Brussels HQ. 9.00 The Brussels HQ. 9.10 The Brussels HQ. 9.20 The Brussels HQ. 9.30 The Brussels HQ. 9.40 The Brussels HQ. 9.50 The Brussels HQ. 10.00 The Brussels HQ. 10.10 The Brussels HQ. 10.20 The Brussels HQ. 10.30 The Brussels HQ. 10.40 The Brussels HQ. 10.50 The Brussels HQ. 11.00 The Brussels HQ. 11.10 The Brussels HQ. 11.20 The Brussels HQ. 11.30 The Brussels HQ. 11.40 The Brussels HQ. 11.50 The Brussels HQ. 12.00 The Brussels HQ. 12.10 The Brussels HQ. 12.20 The Brussels HQ. 12.30 The Brussels HQ. 12.40 The Brussels HQ. 12.50 The Brussels HQ. 1.00 The Brussels HQ. 1.10 The Brussels HQ. 1.20 The Brussels HQ. 1.30 The Brussels HQ. 1.40 The Brussels HQ. 1.50 The Brussels HQ. 2.00 The Brussels HQ. 2.10 The Brussels HQ. 2.20 The Brussels HQ. 2.30 The Brussels HQ. 2.40 The Brussels HQ. 2.50 The Brussels HQ. 3.00 The Brussels HQ. 3.10 The Brussels HQ. 3.20 The Brussels HQ. 3.30 The Brussels HQ. 3.40 The Brussels HQ. 3.50 The Brussels HQ. 4.00 The Brussels HQ. 4.10 The Brussels HQ. 4.20 The Brussels HQ. 4.30 The Brussels HQ. 4.40 The Brussels HQ. 4.50 The Brussels HQ. 5.00 The Brussels HQ. 5.10 The Brussels HQ. 5.20 The Brussels HQ. 5.30 The Brussels HQ. 5.40 The Brussels HQ. 5.50 The Brussels HQ. 6.00 The Brussels HQ. 6.10 The Brussels HQ. 6.20 The Brussels HQ. 6.30 The Brussels HQ. 6.40 The Brussels HQ. 6.50 The Brussels HQ. 7.00 The Brussels HQ. 7.10 The Brussels HQ. 7.20 The Brussels HQ. 7.30 The Brussels HQ. 7.40 The Brussels HQ. 7.50 The Brussels HQ. 8.00 The Brussels HQ. 8.10 The Brussels HQ. 8.20 The Brussels HQ. 8.30 The Brussels HQ. 8.40 The Brussels HQ. 8.50 The Brussels HQ. 9.00 The Brussels HQ. 9.10 The Brussels HQ. 9.20 The Brussels HQ. 9.30 The Brussels HQ. 9.40 The Brussels HQ. 9.50 The Brussels HQ. 10.00 The Brussels HQ. 10.10 The Brussels HQ. 10.20 The Brussels HQ. 10.30 The Brussels HQ. 10.40 The Brussels HQ. 10.50 The Brussels HQ. 11.00 The Brussels HQ. 11.10 The Brussels HQ. 11.20 The Brussels HQ. 11.30 The Brussels HQ. 11.40 The Brussels HQ. 11.50 The Brussels HQ. 12.00 The Brussels HQ. 12.10 The Brussels HQ. 12.20 The Brussels HQ. 12.30 The Brussels HQ. 12.40 The Brussels HQ. 12.50 The Brussels HQ. 1.00 The Brussels HQ. 1.10 The Brussels HQ. 1.20 The Brussels HQ. 1.30 The Brussels HQ. 1.40 The Brussels HQ. 1.50 The Brussels HQ. 2.00 The Brussels HQ. 2.10 The Brussels HQ. 2.20 The Brussels HQ. 2.30 The Brussels HQ. 2.40 The Brussels HQ. 2.50 The Brussels HQ. 3.00 The Brussels HQ. 3.10 The Brussels HQ. 3.20 The Brussels HQ. 3.30 The Brussels HQ. 3.40 The Brussels HQ. 3.50 The Brussels HQ. 4.00 The Brussels HQ. 4.10 The Brussels HQ. 4.20 The Brussels HQ. 4.30 The Brussels HQ. 4.40 The Brussels HQ. 4.50 The Brussels HQ. 5.00 The Brussels HQ. 5.10 The Brussels HQ. 5.20 The Brussels HQ. 5.30 The Brussels HQ. 5.40 The Brussels HQ. 5.50 The Brussels HQ. 6.00 The Brussels HQ. 6.10 The Brussels HQ. 6.20 The Brussels HQ. 6.30 The Brussels HQ. 6.40 The Brussels HQ. 6.50 The Brussels HQ. 7.00 The Brussels HQ. 7.10 The Brussels HQ. 7.20 The Brussels HQ. 7.30 The Brussels HQ. 7.40 The Brussels HQ. 7.50 The Brussels HQ. 8.00 The Brussels HQ. 8.10 The Brussels HQ. 8.20 The Brussels HQ. 8.30 The Brussels HQ. 8.40 The Brussels HQ. 8.50 The Brussels HQ. 9.00 The Brussels HQ. 9.10 The Brussels HQ. 9.20 The Brussels HQ. 9.30 The Brussels HQ. 9.40 The Brussels HQ. 9.50 The Brussels HQ. 10.00 The Brussels HQ. 10.10 The Brussels HQ. 10.20 The Brussels HQ. 10.30 The Brussels HQ. 10.40 The Brussels HQ. 10.50 The Brussels HQ. 11.00 The Brussels HQ. 11.10 The Brussels HQ. 11.20 The Brussels HQ. 11.30 The Brussels HQ. 11.40 The Brussels HQ. 11.50 The Brussels HQ. 12.00 The Brussels HQ. 12.10 The Brussels HQ. 12.20 The Brussels HQ. 12.30 The Brussels HQ. 12.40 The Brussels HQ. 12.50 The Brussels HQ. 1.00 The Brussels HQ. 1.10 The Brussels HQ. 1.20 The Brussels HQ. 1.30 The Brussels HQ. 1.40 The Brussels HQ. 1.50 The Brussels HQ. 2.00 The Brussels HQ. 2.10 The Brussels HQ. 2.20 The Brussels HQ. 2.30 The Brussels HQ. 2.40 The Brussels HQ. 2.50 The Brussels HQ. 3.00 The Brussels HQ. 3.10 The Brussels HQ. 3.20 The Brussels HQ. 3.30 The Brussels HQ. 3.40 The Brussels HQ. 3.50 The Brussels HQ. 4.00 The Brussels HQ. 4.10 The Brussels HQ. 4.20 The Brussels HQ. 4.30 The Brussels HQ. 4.40 The Brussels HQ. 4.50 The Brussels HQ. 5.00 The Brussels HQ. 5.10 The Brussels HQ. 5.20 The Brussels HQ. 5.30 The Brussels HQ. 5.40 The Brussels HQ. 5.50 The Brussels HQ. 6.00 The Brussels HQ. 6.10 The Brussels HQ. 6.20 The Brussels HQ. 6.30 The Brussels HQ. 6.40 The Brussels HQ. 6.50 The Brussels HQ. 7.00 The Brussels HQ. 7.10 The Brussels HQ. 7.20 The Brussels HQ. 7.30 The Brussels HQ. 7.40 The Brussels HQ. 7.50 The Brussels HQ. 8.00 The Brussels HQ. 8.10 The Brussels HQ. 8.20 The Brussels HQ. 8.30 The Brussels HQ. 8.40 The Brussels HQ. 8.50 The Brussels HQ. 9.00 The Brussels HQ. 9.10 The Brussels HQ. 9.20 The Brussels HQ. 9.30 The Brussels HQ. 9.40 The Brussels HQ. 9.50 The Brussels HQ. 10.00 The Brussels HQ. 10.10 The Brussels HQ. 10.20 The Brussels HQ. 10.30 The Brussels HQ. 10.40 The Brussels HQ. 10.50 The Brussels HQ. 11.00 The Brussels HQ. 11.10 The Brussels HQ. 11.20 The Brussels HQ. 11.30 The Brussels HQ. 11.40 The Brussels HQ. 11.50 The Brussels HQ. 12.00 The Brussels HQ. 12.10 The Brussels

Cannes Festival

by NIGEL ANDREWS

There has been no shortage of jokes about the 1975 Cannes Festival starting off with a bang. It started with a bang, one would say, but the explosion behind the main viewing screen on the first morning of the festival, the other was a surprise. The first joke was that the festival was a joke, and it was later reported to have been an attempt on the life of a local aircraft manufacturer.

Two films which will undoubtedly be seen in London before long are *Electra* and *Marin Scorsese's Alice Doesn't Live Here Anymore*. Scorsese's new film is a startling contrast to his last, *Mean Streets*, a brightly, violently comic about a young widow (Ellen Burstyn) who sets off on a journey across America with her only son in search of a job, a man and a kind of independence. It's a feminist film, it's a comedy through clenched teeth. The tone is rather one of spontaneity and a deliciously offhand irony, and the film's style is at its best in Scorsese's last-paced direction and in the marvellous, pungent performance of Ellen Burstyn.

Janaco's *Electra* transposes the Greek legend to his familiar artistic territory: a windswept Hungarian plain in which horses,

naked women and emblems of peasant pagantry thread and re-thread before an ever-moving camera. One cultural tradition meets another, and the result is a cinematic clash of symbols as beautiful and invigorating as anything Janaco—or the recent European Cinema—has given us.

The *Electra* legend is an apt text for international Women's Year and it surfaces again in Theo Angelopoulos's *O Thissos*. The Greek director's last film, *Days of '36*, was a microcosmic account of a small episode in Greek history. In *O Thissos* the focus has widened to include a perspective of Greek history from 1939 to 1952: political events being seen through the eyes of a small travelling theatre group. The group's leading actress has family problems not dissimilar to those of the aforementioned daughter of Agamemnon, and the film uses the private chronicle of her weight as a brilliantly apt and powerful analogy to the national tragedies of Greece herself.

Usurpation and brutality are the stories common to both, and Angelopoulos's film unfolds in a series of images, some bitter scenes from which no one—least of all the British—emerges with credit. The film is four hours long, but only in the last hour—in which the Greek Communist Party is built up as the country's last serious defence against its political dictatorship make it drag its feet.

Three other films are worth mentioning for their curiosity value. The Belgian *Vase des Noces* is a hymn to bestiality—and bestiality—in which scenes of incestuous behaviour alternate with scenes of sabbatic eating and piglet-hanging. If there is an interesting film to be made about bestiality, this

isn't it. The director works on the principle that obscenity should be heard and not seen; and the film's visuals come as a grainy and ineffectual second to a soundtrack of virtually non-stop gasping, grunting, wheezing and wind-breaking. That the film has been banned in France and Belgium one cannot consider a great loss to either country.

Three cheers for *A Very Natural Thing*. Christopher Larkin has made a gay film which is a kind of homosexual equivalent of *Love Story*. Clashes and schisms abound in this story of a young New York homosexual and his search for "true love"; but in its translation of gay sensibility into the kind of pop-romantic context hitherto reserved strictly for heterosexuals, it will probably do more good—in the way of changing and improving popular attitudes—than many a more sophisticated or hard-line propagandist approach.

Who better to leave the last word to than that deathless wizard of the cinema, Orson Welles? For *F for Fake* is Welles's documentary inquiry into the activities of two master-forgers, Elmyr de Hory and Clifford Irving. The film is made with the kind of throwaway genius that haven't been seen from Welles since *Citizen Kane*. But beneath its free-wheeling, conjuring-trick surface (fast cutting, freeze-framing, fact and fiction overlaps), it develops a shrewd and elaborate inquiry into the nature of fakery. Who are the true impostors—the forgers or the "experts"? Welles wanders in and out of the film as if on leave from his TV sherry advertisements—beard, broad-brimmed hat, bilious look—but nothing in this film about deception is more deceiving than the relaxed and impudently casual manner of its director.

Barber Institute, Birmingham

Beatrice di Tenda

by ELIZABETH FORBES

Beatrice di Tenda, Bellini's popultimate opera, was long overdue for revival in this country, so on Thursday the Barber Institute, not for the first time, deserved our gratitude for resuscitating with such devotion a work too often ignored or carelessly dismissed as negligible. Written for Giuditto Pastia, as successor to *La sonnambula* and *Norma*, Beatrice di Tenda was first produced at Venice in March 1833, when a difficult birth followed a stormy period of gestation. Felice Romani, engaged on librettos for four other companies at the same time, was even more dictatorial than usual in supplying Bellini with the text—finally he had to be summoned by the police to fulfil his contract. Public reception at the premiere was hostile, and Pastia, reputedly addressed one of her lines: "If you cannot love me, respect me"—directly at the audience.

Romani's libretto, highly reminiscent of the text he had supplied to Donizetti for *Anna Bolena*, is even closer to the one he was currently writing for the same composer. *Forisima*, which received its first performance at Florence the night after Beatrice's unveiling at Venice, it deals with the attempts, ultimately successful, of Filippo Visconti, Duke of Milan (baritone), to get rid of his wife, Beatrice de Lascari, Countess of

Tenda (soprano), to whom he owes his position, lands and wealth, so that he can marry the young woman, Agnese del Maino (soprano). Agnese, however, loves Orombello, Count of Ventimiglia (tenor), who secretly loves Beatrice. She herself reveres the memory of her dead first husband, the condottiere Facino Cane.

The score, admittedly shows certain signs of the haste with which it was composed. The long, loosely-constructed first act, in particular, has several uninspired patches, but it also has some very fine numbers, notably Beatrice's beautiful entrance cavatina, her duet with Filippo, and the first section of the finale, in which she prays to the spirit of Facino Cane for strength to bear her afflictions. The second act, from the opening chorus, in which the courtiers relate to Beatrice's horrified ladies-in-waiting how Orombello has been tortured into a false admission of guilt in a confession which he recants in the magnificent trial scene, the dramatic nub and musical climax of the opera—through to Beatrice's final aria and cabaletta on her way to execution, is a chain of 24-carat gold without a single link of pinchbeck.

Jocelyn Powell's production and Judith Park's set—an austere, steeply-rising flight of steps—share one great merit:

they allow both action and music to flow without interruption. Miss Tenda's colourful costumes make a brave showing in the trial scene, while Mr. Powell's clear English translation ensures the intelligibility of the plot. Ivor Keys conducts, holding good ensemble between stage and pit, obtaining well-balanced playing from the Barber Opera Orchestra. In the all-important title role, Janet Price, having demonstrated recently that she can reanimate the moribund heroines of forgotten operas by Donizetti, Meyerbeer and Mercadante, now restores Bellini's tragic Beatrice to triumphant life.

Miss Price not only rises to the challenge of Beatrice's formidably ornate music, but also manages, by the variety and conviction of her performance, to alleviate the monotony engendered by the Duchess's excessively noble and virtuous character. Overcoming the one flaw in her vocal armoury, she shapes the long Bellinian melodies in steady, seamless lines; the florid fireworks, though let off with an exhilarating sense of security, are always treated expressively, and not as mere display. David Clyde, as Filippo, emphasises the Duke's queasy conscience rather than his brutality; James Anderson sings stylishly as Orombello; Angela Bostock makes a credible figure of Agnese. The chorus, small in numbers, is full-bodied in tone.

Elizabeth Hall

Holloway's Sea-surface

The new work in last Friday's London Sinfonietta concert was *Sea-surface*, full of clouds, a cantata, chamber choir and small orchestra, specially commissioned from Robin Holloway (b. 1948).

I wish I could talk with other admirers to find Holloway "a new, pronounced creative talent in music for voices," or indeed find any aspect of his new piece "completely fascinating" or "greatly distinguished and affecting." I am puzzled only for I have not heard a new work for many months which leaves such a blank and featureless impression—or which professes within the space of half an hour so few original points of harmonic, textural melodic or contrapuntal interest.

The words are by Wallace Stevens. The plan of the setting is a clever one: to mirror the form of the poem musically in a "state of perpetual variation (as much in terms of colour and texture as in traditional harmonic and melodic methods) within one basically unchanging order of events." There is a technical aptness, even a kind of fustian, in the execution: the style could be called hybrid mainstream, streaked with reminiscences of Strauss and Mahler—and the score has the surface gloss of intelligent, capable management. Where is the centre? Where, in its

nervous, self-important, clever way, does it lead, again to the words? Not back again to the words, certainly: there is nothing in Holloway's setting to match the subtle, complex and vivacious magic of Stevens's five stanzas. The vocal writing is plain at best, at worst angular and ungrateful; the instrumentation, complicated rather than complex, is unremarkable.

There is, too, the strangest lack in *Sea-surface* of dramatic movement and tension: the dramatic image, colourless and neutral grey. Under a semblance of "variation," there is an overwhelming sense of sameness; notes in motion, but moved without grit, or gut, or fire. The performance, under the baton of the young Mexican conductor, Eduardo Mata, who was making his debut with the Sinfonietta, and with four good soloists, seemed capable and well-prepared. No doubt, the orchestra are right: this kind of subtly, precisely, musical doodling, that does nothing and pretends all, must sooner or later end up in the opera house, I despair of it; but for fair measure, wish it better luck than it deserves.

In the first half, Mata directed a fair performance of Varèse's *Octandre*—though ideally one might have asked for some subtle shading: such details as the fruitfully expressive crescendo on bassoon at the link

between the second and third sections where none is marked (and surely none implied), dulled the edge of the music a little. We also heard a nice performance of Mozart's D major Divertimento K261—not the greatest Mozart, but fun. The stylishly by the group on string quintet with two horns and oboe; and a lively account of Falla's harpsichord concerto, with John Constable the soloist.

DOMINIC GILL

Elizabeth Hall

Kenneth Gilbert

It's all very well to tinkle away on a kit job at home, but a first-class instrument is the basic requirement for a public harpsichord recital to-day, since the recent craze for fine and apt "period" tone replaced the amplified brilliance of the early harpsichord played publicly in London seemed to come from either Gough, Goff or Goble. Last night the eminent American harpsichordist Kenneth Gilbert equipped himself with a charming, colour of impeccable pedigree: Ruckers 1636/1640, "Ravellement" by Hemsch 1763/borrowed from the English collector Michael Thomas.

Unquestionably there are Ruckers and Ruckers (and questionably Ruckers too, in similarly beautiful decorated cases) for this outstanding Belgian family was to the harpsichord what Stradivarius was to the violin, with innumerable followers and fakers. (The precious 1634 "Ham House" Ruckers in the Victoria and Albert Museum was revealed as an 18th century English forgery during recent restoration—excellent museum irony). And to tell a hat so late night suggested a superb Ruckers, with full-bodied royal tone, and the kind of singing quality, which seems to get lost

U.S. conducting post for Previn

André Previn, principal conductor of the London Symphony Orchestra, is going back to America... but not full-time. The Pittsburgh Symphony Orchestra have announced that he is to become its musical director—a position previously held by Otto Klemperer, Fritz Reiner and for the past two decades William Steinberg.

Mr. Previn says that the appointment will in no way interfere with his work with the LSO. It will, however, affect his appearances as a guest conductor. He will drastically cut down on the three months a year he normally spends with other orchestras. The three-year contract in Pittsburgh will begin with the 1976-77 season.

Kenneth Gilbert changed his programme, cutting out the Scarlatti items, to make the best of this harpsichord's quality. He played one half each of Couperin and Bach with plain registration and deliberate, expressive phrasing. Mr. Gilbert's technique is not quite bluffproof, but the effect was so fine that even at the end one was still captivated by the beauty of tone, even in the lingering of a sample mordant begging to the final cadence, reluctant to end. The Couperin items were predominately miniatures of course, but featured his mood pieces such as "Les idées heureuses" and "Les larmes tendres" rather than the more flashy ones. However, the most rewarding item here was the great Passacaille, superbly given with weighty attention to its astonishing chromatic refrain and imaginative colouring in the variations. Bach's fourth Barlita was gracefully played, and the encores included a Soler sonata, full of azy bravura, brightly done. Which, I wonder, would be the first to ruin a fine Ruckers harpsichord: hours of Soler's ruckety semiquavers, or the Spanish sun?

GILLIAN WIDDICOMBE



Eileen Agar: The Muse of Construction

New Art Centre

Eileen Agar by WILLIAM FEAVER

Setting aside the Abduction fuss the event which generated most socialite concern and scandal at large in 1939 was the First International Surrealist Exhibition held at the New Burlington Galleries. It was infinitely newsworthy for the art involved was the sort of stuff that confirmed Sir Alfred Munnings's worst suspicions about Modern Art. Salvador Dali appeared at the opening ceremonies in a diving suit. Suggestive objects were rife and the exhibitors—foreigners with names like Picabia, Duchamp, Klee, Magritte, Brancusi—were widely assumed to be taking the public for a ride.

Generally speaking the British artists involved were not so extreme or extraordinary. Paul Nash, Graham Sutherland and Henry Moore had evident roots in native tradition. But not so Eileen Agar who, albeit English, and Slade-trained, appeared to have absorbed all the latest Parisian object lessons. Her appearance in the exhibition seemed her permanent non-transferable Surrealist identity label. So she appears to-day at the New Art Centre somewhat typecast.

The works collected here date from 1938 onwards. Many are collages. One, *Dragon Dog* given her by Paul Nash, shows the influence of Picasso, Braque, Ernst, everything overlapping and interlocking, carefully complicated. Throughout, from *The Muse of Construction* (1939) an urn goddess, to bright, summery acrylic paintings done within the last year, the Surrealist allegiance persists. There are traces of automatic writing, ectoplasmic hands, veils and undercurrents.

As Herbert Read once wrote, "Eileen Agar is surrealism in her

charm. Charm is not one of the incidents are so amassed surrealism virtues—sadism is preferred. But by dislocating charm by fragmenting it and converting it into barbaric pieces of paper and fabric, and Eileen Agar deprives her charm of its sentimentality." Her earliest collages in the exhibition are the most impressive: time dealt gently with them. But the paintings are consistent, from the Slade days, when Eileen Agar worked in a thoroughly sober, foursquare manner, to recent, large, compositions in which the elements all dance and frolic and the eye is charmed, if not always absolutely convinced.

Comparisons between these works and the Man Rays at the ICA are worth while, if only to point up the difference between Ray's profile quirkiness-art, as it were, best done on café tablecloths after dinner—and Eileen Agar's more wrought, more painterly carry on. Surrealism was a many-headed phenomenon and its exponents were diverse. Her loyalties have never been confined to any single aspect of it. Indeed, many of her paintings are surrealism in name only, in title like *Dance of the Minerals and Muscles of the Imagination*. In the long run the quality of her work has depended not on novelty values but on her ability to persevere where others, more given a rest, sometimes carries her to excess. In *The Muse of Construction*, for instance, the Centre until May 24.

The Entertainment Guide is on Page 25

a mannikin lay-model fastened to a canework disc with a painting behind, thus appears arrested at a formative stage. Taken further, confined to paint terms, this composition would have become much the same as the other, elaborated paintings, an assembly of planes, shuffled and dabbed into position.

Eileen Agar's love of complexities, her tendency to add chequers and squiggles where other hands, the eye would be lambent and, maybe, given a rest, sometimes carries her to excess. In *The Muse of Construction*, for instance, the Centre until May 24.

The Other Place, Stratford-upon-Avon

Hamlet

by MICHAEL COVENEY

This is the RSC studio production that Buzz Goodbody had just completed work on last month before he died. The Press were invited last Thursday to share in a theatrical experience that is, for a start, a total vindication of Miss Goodbody's belief that Shakespeare can and should not be neglected if the actors confront each other and their audience unhampered by a proscenium; the production also reflects the new austerity of Terry Hands's work on the main stage and is clearly a sign-post for the Company. *Hamlet* is invariably a thrilling play to experience; and here, un-

Claudius is ruthless, but never supercilious. With Gertrude (Mikel Lambert) at Ophelia's funeral he carries a small posy similar to that distributed by the girl in an earlier scene. Ophelia's decline—Yvonne Nicholson, pert and sexy, all but disfiguring her face with lipstick—is a matter of much horror for Mr. Baker, and his performance demonstrates yet again what a great part this is (his chief soliloquy is suddenly a re-focused view of the whole *Elisabeth* mess that, in these circumstances, Ophelia is clearly more than sisterly and his "show" of grief nothing of the sort; emotions are running as deeply here as anywhere in the play and his participation in the rigged duel is reluctantly, even suicidally, undertaken. Mr. Wilson is the best Laertes I have seen.

The pleasures and subtleties are innumerable. A complete shift of emphasis is given to the Claudius and his court in pin-striped suits, an uneasy, conspiratorial co-operation between the bureaucrats and the great-coated military, the inspirational inter-escape view of snatches from Brahm's A-dar plane waltz. There is a Strindbergian intensity about the production that pays particular dividends in the domestic scenes. For once you can actually believe that Hamlet's "neglected love" is as consubstantial a factor to his madness as is the shaking, shattering revelation of his father's murder. And Ben Kingsley, so intelligent and explicit at every turn, builds his fury and resolve as powerfully as he describes the upper-growth by leaps and bounds of his own existential imaginings. His thoughts fly not up, but out and beyond each physical situation he himself manufactures. "Now might I do it, pat"—and he is immediately scurrying away to the corner of the acting area; the tears for Gertrude, Yorick's skull, the little plot of land—in contemplating them fiercely his own terrible circumstances crowd around him to beat against.

The closeness of the actors results in genuine physical involvement as well as the chance to enjoy special details. The Ghost beautifully spoken by Griffith Jones, walks among us with a natural imperiousness; when the doors are locked on the final blondbath the little theatre is slammed shut before the chilling silence is interrupted by the crashing arrival of Fortinbras (represented by Charles Dancy as more of a determined, ugly professional than usual). And, close to, we can feel, as well as see how this Hamlet enwraps his friends. Mr. Kingsley is superb at signalling both the generosity and sensitivity of the character towards those he holds in affection.

This performance is surrounded by others of equal distinction. George Baker as

Hamlet plays sporadically at Stratford until the middle of July; I hope thereafter that this important production will live on. It could be made to work superbly in the ICA Terrace. There are still many people who need convincing that studio theatre does not necessarily result in lesser art. This is the show for them, and everyone else, to see.

John Florio Prize

Cormac O Cuilleain, has been awarded the John Florio prize for his translation of *Cagliostro*, by Roberto Gervaso (Gollancz).

The prize, commemorating the 15th century humanist who compiled the first Anglo-Italian dictionary, is awarded to the best translation from the Italian each year. Cormac O Cuilleain has recently finished work on the translation of Pietro Valpreda's prison notebooks, which will be published on July 3 as *The Valpreda Papers*.

The Hongkong Land Company, Limited

US\$40,000,000

Medium Term Loan

Managed by

Jardine Fleming & Company Limited Morgan & Cie International S.A. Limited

First Canadian Financial Corporation Limited

Orion Pacific Limited

Wardley Limited

Provided by

Barclays Bank International Limited

The Bank of Canton Limited

The Chase Manhattan Bank, N.A.

The Bank of East Asia Limited

Dao Heng Bank Limited

First Canadian Financial Corporation Limited

Hang Seng Bank Limited

Kwong On Bank Limited

National Westminster (Hong Kong) Limited

Orion Pacific Limited

Pan Asian Finance Limited

RoyEast Investments Limited

Sumitomo & East Asia Limited

UBAN-Arab Japanese Finance Limited

Wardley Limited

Agent Bank

Barclays Bank International Limited

What are labour prospects like in Peterlee?

Call Fred McEneaney, member of the Institute of Personnel Management at 075-233568



Peterlee is the place to be

F. Peterlee Development Corporation, Ridgeway House, Beck View, Peterlee, Co. Durham, SRS 1BL

Anniversary bomb blasts rock Israel's cities

JERUSALEM, May 18.

A TIME bomb exploded near a petrol station in the Arab sector of the city today in the latest of a series of apparent Arab guerrilla incidents.

Police said there were no casualties or damage in the blast at the station between the Rockefeller Antiquities Museum and the Arab sector of the city.

It was the latest in a series of time bomb explosions in the territories Israel captured in the 1967 Middle East War. Police have blamed the incidents on local guerrilla operatives.

An estimated 20 persons were wounded when a bomb hidden in a picnic basket exploded at Ein Fashkha. The blast killed or wounded several Israeli soldiers near the northern end of the Dead Sea. All but four of the statement said.

Sadat claims unity after Mid-East tour

DAMASCUS, May 18.

PRESIDENT Anwar Sadat of Egypt said today he had reached full agreement with fellow Arab leaders on Middle East problems during talks over the past week. The Egyptian leader was speaking to reporters at the end of his visit to Syria, last leg of a tour which also took him to Kuwait, Iraq and Jordan.

During talks with the four countries' leaders "We discussed the situation in the area, and future steps that will be taken. We have consolidated Arab unity and our views on the near future," Mr. Sadat said.

Mr. Sadat said he had discussed with Syrian and Iraqi leaders their dispute over the Euphrates waters. He did not say whether Egypt was mediating, but de-

clared, "I think this problem will be solved."

He had a three-hour meeting with Syrian President Hafez Al-Assad, and met the leader of the Palestine Liberation Organisation, Mr. Yasser Arafat.

The major purpose of President Sadat's tour was to co-ordinate Arab policies towards the Middle East problem, and towards the Geneva peace conference, before he meets U.S. President Gerald Ford on June 1.

Reuters

Michael Tingay reports from Cairo: Chiefs of Staff of the Arab armies are due to meet here tomorrow to discuss military contingencies for the Middle East.

Though the meeting is part of the normal machinery of the Arab Defence Council, it provides an opportunity for the military leaders of Jordan, Syria and Egypt, directly after President Sadat's current tour, to discuss details of strategy.

Ford to call for more initiative from NATO

BY PAUL LEWIS, U.S. EDITOR WASHINGTON, May 18.

PRESIDENT FORD is expected to urge wider political and economic consultations between the NATO allies in the wake of America's defeat in Indochina, at the Alliance's summit meeting in Brussels at the end of this month.

In formal terms, the Administration only expects the meeting to endorse a relatively short communiqué, asserting the interests and goals of the Alliance and making some reference to the overall nature of the problems confronting its members.

But it is clear that President Ford would like this meeting to serve as a demonstration of general Western solidarity in the political and economic sphere, as well as the military. It would thus serve as a fitting climax to the earlier discussions on energy and economic policy in the OECD, and show that the Western system was working well, despite recent American reverses.

Within the Ford Administration, there is now a strong feeling that it is only realistic for the Alliance to concern itself

with problems outside its traditional confines and that members should not shy away from harmonising their policies towards the full range of challenges confronting them, both in the non-military area and outside the North Atlantic. Nevertheless, it looks as though the American approach will still be couched in general terms rather than a concrete attempt to change the nature and aim of the alliance. However, Portugal remains a specific American preoccupation, and the Administration is still very worried that the Communist Party will reach a working relationship with the socialists in the Government, that will have the effect of encouraging neutralist tendencies.

Reuters adds: Secretary of State Henry Kissinger left for Europe today on a week-long trip intended to speed agreements on strategic arms limitation, European security and Middle East peace. Dr. Kissinger took off for Vienna, where he will meet Soviet Foreign Minister Andrei Gromyko tomorrow and on Tuesday. He will then visit Bonn, West Berlin and Ankara.

W. Germany suffers sharp fall in exports

BY NICHOLAS COLCHESTER BONN, May 18.

THE WEST German Bundesbank's analysis of German economic statistics for March shows that a slack domestic economy has been undermined by a sharp fall in export orders. The Bank also notes in its latest monthly report that unemployment did not fall as much in April as it should have done at this time of year, and that the number of jobs on offer in Germany showed below-normal growth.

The inflow of orders to West German industry in March was seasonally adjusted, little changed from that of January and February. It was somewhat above the level in November/December but 12 per cent below the figure for the previous year in cash terms. In volume terms the fall between March 1974 and March 1975 was 17 per cent. The main dampener on the economy remained the decline in orders from abroad. The overseas order index, set at 100 for 1970, averaged 167 in January and February and then fell away to 158 in March. The average for the last quarter of 1974 was 180.

The Bank explained that the fall in overseas demand was particularly noticeable in the capital goods industry which till recently had benefited from large orders placed by Eastern

European and OPEC countries. The deterioration in this sector had been aided by the absence in March of big overseas ship-building orders.

In the labour market the Central Bank saw no signs of a turn for the better. It pointed out that the April unemployment figure of 1,09m represented a seasonally adjusted ratio of 4.7 per cent compared with 4.0 per cent in March. The report noted that the number of workers on "short-time" had risen again and that the number of jobs on offer had not developed as it should.

In that the Bundesbank has tended to see the brighter side of things in its recent monthly reports on the progress of the German economy, this latest sober assessment officially confirms what has been apparent for some time—that the German economy is moving only sluggishly back towards growth. If at all, despite the actions that have been taken by both Bundesbank and the Government to get business moving again. The capital goods industry seems to have benefited slightly from the investment incentives provided by the Government during the winter and the Bundesbank's adjusted order index for this sector stood at 128 in the first quarter compared with 113 in the fourth quarter of 1973.

Quebec unions order return to work at Olympics site

BY ROBERT GIBBENS

MONTREAL, May 18.

LOUIS LABERGE, President of the Quebec Federation of Labour which was heavily criticised in the recent Cliche Commission report on the construction industry, has ordered the construction unions to return to work tomorrow.

In a subdued mood after talks in Quebec City, Laberge said the Federation was still objecting to the Government's trusteeship legislation for four construction union locals, but accepts the Government's promise this will be of the shortest duration possible.

The construction unions have struck at the Olympics Games site and other major Montreal projects for a week in protest against the legislation. The Government starts a system of passes at the Olympics site as of tomorrow, and no one will be allowed in, even though union members, unless they hold an identity card.

This in effect will screen out many of the troublemakers.

Sources close to the Olympics say the new delay makes the 1976 schedule tighter but not impossible. The Olympics stadium itself, costing an estimated \$300m, in latest money terms, is the main cause of worry.

Many unions attached to the Quebec Federation of Labour—itsself affiliated with the Canadian Labour Congress—have expressed

LISBON CROWDS TRAP U.S. OFFICIAL IN POLICE JEEP

LISBON, May 18.

SEVERAL hundred Left-wing demonstrators trapped an American Embassy official in a Portuguese military police jeep outside the Embassy here today.

Mr. Wayne Combs, the Embassy's security chief, was wedged into the vehicle as soldiers formed a human shield around it to keep jostling demonstrators away. The demonstrators, who wore badges of a Marxist group, daubed red paint slogans reading "Death to the CIA" and "Imperialists out of Portugal" on the building.

Portugal

Bangladesh devalues currency after two years of pressure

BY DAVID KHAN MAGLIS

DACCAs, May 18.

BANGLADESH yesterday devalued its currency, the taka, the new exchange rate with the pound sterling will be taka 30 per £1, instead of the previous 13.6.

The official announcement said that the Government had decided on the move "in the interest of export trade and to bring the exchange rate more in keeping with the actual purchasing power of the taka."

The devaluation comes five weeks after the Government demonetised all taka 100 bank notes. People were allowed three days to deposit the notes in the banks, but have not yet got their money back. The Government promised that the entire amount deposited would be returned, but not all at once or immediately. The depositors will receive a certain percentage of the money deposited in cash and the balance in "security bonds" cashable after five years or seven years in other cases.

The security bonds will not be transferable and no bank credit can be obtained against them, but the holders will get 8 per cent annual interest on the money.

The devaluation follows strong pressure by the International Monetary Fund and the World Bank. It should immediately help jute, Bangladesh's most important foreign exchange earner. The size of the devaluation means that the Government will be able to pay a higher procurement price for jute in the local market and thus stem the shrinking acreage of the crop.

Azad Kashmir votes quietly

KASHMIR, Mar 18.

THE people of Pakistan-held Kashmir and 300,000 Kashmiri refugees scattered throughout Pakistan.

Results are not likely to be known until tomorrow. But the alliance grouping Mr. Bhutto's Bhutto's ruling Peoples Party, League, Azad Muslim Conference and the Muslim Conference faction led by Sardar Mohammad Ibrahim is certain to win a comfortable majority in the expanded 42-seat legislative assembly.

Reuters

FREEDOM. THAT'S WHAT YOU GET OUT OF A BANK ACCOUNT WITH LLOYDS.

Many people think of a bank simply as a convenient means of storing and handling their money.

We agree that a cheque book is a useful thing to have. But at Lloyds, our customers know that we can offer a good deal more than that.

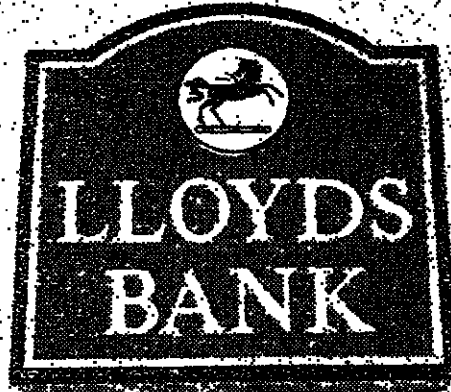
We can give you freedom.

Freedom from so much of the worry, routine and paper work that can surround the business of money.

For personal customers, we provide a wide range of financial services through our branches, backed by specialists in investment, insurance, tax and many other areas.

For businessmen, we can make a major contribution to company operations in areas such as leasing, export services, pension funds, share registration and payroll administration, as well as in our traditional role as a provider of finance.

Feel free to come and talk to us about how we can make your financial life easier.



A LOT MORE THAN MONEY
AT THE SIGN OF THE BLACK HORSE

What's it like to live in Peterlee?

Call John Green, at 078-233 3658

Peterlee is the place to be

Peterlee Development Corporation, Ridgeway House, Red Way, Peterlee, Co Durham, SR8 1BU

EEC has cost 500,000 jobs in U.K., says Benn

By John Bourne and Elinor Goodman

MR. ANTHONY WEDGWOOD BENN, Secretary of Industry and leading anti-market Minister, said yesterday that Britain faced accelerating unemployment by staying in the Common Market.

He added that probably 500,000 jobs had already been lost in the U.K. because of the deficit in manufacturing trade with the EEC, nearly 140,000 directly and 360,000 as a result of general deflation.

Using the U.K.'s Overseas Trade Statistics he calculated that 3,000 jobs had been directly lost in chemicals, 43,000 in steel, 25,000 in machinery and 4,000 in other finished manufactures.

Three years of EEC membership has been an industrial disaster for Britain, Mr. Wedgwood Benn said yesterday. Our widening trade gap leads inexorably to accelerating loss of jobs, and the Commission has the power to forbid us to act to halt this trend, he added.

On the last point, Mr. Benn instanced the Government's proposals for reducing British Leyland—which so far had only been "acknowledged" by the Commission—and whatever final proposal the Government might produce for Alfred Herbert.

'Better outlook for trade with Russia in EEC'

FINANCIAL TIMES REPORTER

PROSPECTS FOR British trade with East Europe and the Soviet Union look better inside, rather than outside, the EEC, according to a report by John and Pauline Pinder and published today jointly by the Royal Institute of International Affairs and Political and Economic Planning (PEP).

The report, on EEC policy towards Eastern Europe, points out that the trade of the Community's six founder members with the East European members of Comecon increased six-fold between 1964 and 1974—a rate of growth double that of trade between Britain and East Europe.

Though Britain has remained the second most important market for the Soviet Union, largely because London is still the entrepot for Russian commodities such as diamonds and furs, it has fallen from being the second largest West European supplier to the Soviet Union in 1964 to the fourth largest now.

Tariffs have not been the chief obstacle to East-West European trade; most Russian exports, for instance, to the EEC are raw materials, on which Brussels imposes no tariff. Much more important are import quotas and the Pinder report notes that there are now on the common liberalisation list some 283 (out of a total of 1,087 items in the Brussels tariff nomenclature) from which member govern-

ments have agreed to lift quotas. It is on the question of relations with the Communist bloc that political co-operation has been most successful, notably the common stand taken in the European security talks in Geneva.

But, as the Pinder report shows, there are equally compelling reasons for economic co-operation—to ensure, in particular, co-ordination of the export credit front so that East European and Soviet State trading monopolies do not play the West Europeans off against each other, and so that the EEC can compete with the U.S. for the really big Russian projects that may require up to \$50n. to \$100n. in western financing.

Trade talks, however, have not yet got off the ground, despite Brussels overtures to individual East European governments and the meeting between Commission and Comecon officials in Moscow in February. The report's authors suggest that Comecon officials may be awaiting the results of the British referendum before accepting the Commission's invitation for return talks in Brussels.

Mr. Benn, speaking at a National Referendum Campaign Press conference, said that soon British steel would be competing with its former skilled workers who had gone to Europe for jobs. He added that Britain would not be able to correct its trade deficit unless it was free to trade on its own arrangements worldwide and to take action on industrial investment which might run counter to EEC rules against the infringement of "fair competition."

An NRC spokesman added that in the coming Press conferences the campaign spokesmen would argue, as Mr. Benn had done, only on the basis of "facts, credibility and honesty," rather than the "gloom and despondency" prophesied by their critics.

The spokesman seemed a direct counter-attack on Mr. Anthony Crosland, the Secretary for the Environment, who had said the day before that he found the "degree of fanaticism" in the Common Market debate "very disturbing."

The fanatics, added Mr. Crosland, had exploited trade and investment figures to insinuate the supposed effect of EEC membership. "The suggestion that the Commission is somehow responsible for the threat of unemployment in the steel industry has no basis at all in reality," said Mr. Crosland. "We hear that unemployment is the EEC disease because unemployment is higher in some Continental countries than it is here. Then we are told that as a result of the Treaty of Rome jobs are being exported to the Continent."

Withdrawing from the Common Market would mean letting down some of the poorest members of the Commonwealth, Mr. George Thompson, a Common Market Commissioner, said yesterday. It was the European Community that stirred the conscience of the United Nations, to help the Fourth World, he said. Leaving the Community would mean destroying, as far as the Commonwealth was concerned, the Rome Convention "almost before the ink of the British signature was dry on it."

Mrs. Barbara Castle, Secretary for Social Services, challenged Mr. Ortol, president of the EEC Commission, to answer three questions concerning the Commission's jurisdiction over its members. First, she asked the Commission to undertake not to declare the British Government's illegal under Article 92 of the Treaty of Rome. Second, she demanded an assurance that if Britain stayed in the British Government would not be obliged to put further taxes on imported foods from outside the Community and finally, she asked Mr. Ortol to make his position clear as to whether laws passed by British Parliament would have priority in the British courts over EEC regulations.

Most local Labour parties had decided not to actively take part in the campaign being run by the anti-market section of the Party, Mr. Norman Hart, deputy chairman of the Labour Council for Europe, claimed yesterday. Mr. Roy Grantham, secretary of the Trade Union Alliance for Europe and a member of the TUC general council, said his group was getting a considerable response from the shop floor.

Six out of 10 voters intend to vote to stay in Europe, a Gallup Poll carried out for yesterday's Sunday Telegraph showed. The Poll indicated a 3 per cent. increase in pro-market support since Gallup's last poll earlier this month with 60 per cent. for and 29 per cent. against the Market with 11 per cent. "don't know."

Mr. Benn, speaking at a National Referendum Campaign Press conference, said that soon British steel would be competing with its former skilled workers who had gone to Europe for jobs. He added that Britain would not be able to correct its trade deficit unless it was free to trade on its own arrangements worldwide and to take action on industrial investment which might run counter to EEC rules against the infringement of "fair competition."

An NRC spokesman added that in the coming Press conferences the campaign spokesmen would argue, as Mr. Benn had done, only on the basis of "facts, credibility and honesty," rather than the "gloom and despondency" prophesied by their critics.

The spokesman seemed a direct counter-attack on Mr. Anthony Crosland, the Secretary for the Environment, who had said the day before that he found the "degree of fanaticism" in the Common Market debate "very disturbing."

The fanatics, added Mr. Crosland, had exploited trade and investment figures to insinuate the supposed effect of EEC membership. "The suggestion that the Commission is somehow responsible for the threat of unemployment in the steel industry has no basis at all in reality," said Mr. Crosland. "We hear that unemployment is the EEC disease because unemployment is higher in some Continental countries than it is here. Then we are told that as a result of the Treaty of Rome jobs are being exported to the Continent."

Withdrawing from the Common Market would mean letting down some of the poorest members of the Commonwealth, Mr. George Thompson, a Common Market Commissioner, said yesterday. It was the European Community that stirred the conscience of the United Nations, to help the Fourth World, he said. Leaving the Community would mean destroying, as far as the Commonwealth was concerned, the Rome Convention "almost before the ink of the British signature was dry on it."

Mrs. Barbara Castle, Secretary for Social Services, challenged Mr. Ortol, president of the EEC Commission, to answer three questions concerning the Commission's jurisdiction over its members. First, she asked the Commission to undertake not to declare the British Government's illegal under Article 92 of the Treaty of Rome. Second, she demanded an assurance that if Britain stayed in the British Government would not be obliged to put further taxes on imported foods from outside the Community and finally, she asked Mr. Ortol to make his position clear as to whether laws passed by British Parliament would have priority in the British courts over EEC regulations.

Most local Labour parties had decided not to actively take part in the campaign being run by the anti-market section of the Party, Mr. Norman Hart, deputy chairman of the Labour Council for Europe, claimed yesterday. Mr. Roy Grantham, secretary of the Trade Union Alliance for Europe and a member of the TUC general council, said his group was getting a considerable response from the shop floor.

Six out of 10 voters intend to vote to stay in Europe, a Gallup Poll carried out for yesterday's Sunday Telegraph showed. The Poll indicated a 3 per cent. increase in pro-market support since Gallup's last poll earlier this month with 60 per cent. for and 29 per cent. against the Market with 11 per cent. "don't know."

Art market sales up 5% in 1975

By Michael Thompson-Noel

THE ART market's restored sense of confidence was confirmed at the weekend by Christie's, which said that sales at home and abroad during the first four months of this year totalled £7.75m., a 5 per cent. gain on the corresponding period last year. Sotheby's figures, although not yet finalised, confirm this picture, as do Phillips's.

The recovery, which follows last autumn's slump, is due for two reasons. First, the January-April period is invariably the market's quietest; second, the corresponding four months last year coincided with the height of the 1972-1974 art market boom.

All three auction houses report a big increase in the per cent. of lots sold in recent weeks, plus a strong inflow of art goods for the big summer sales.

These are expected to benefit from the natural time lag between an improvement in prices in the sale rooms and an increase in the volume of goods sent for sale. It was largely a sharp drop in the volume of goods, together with high reserve prices, which accounted for the downturn last autumn.

Sotheby's sales during October-December last year fell £9m. to £27.4m.; Christie's fell £3.7m. to £12.8m. Both companies were on the mend, were forced to lay off staff.

On the mend A Christie's spokesman said at the weekend: "The first sign that things were on the mend came in a sale of Eastern rugs and carpets on January 13, which totalled £130,504. All 54 lots were sold."

A spokesman for Sotheby's said recent significant prices included \$250,000 for a 16th-century Oriental manuscript at a sale at Sotheby Parke Bernet, New York, on May 2, and the "extraordinary" series of prices seen in a sale of Italian majolica at the Bonhams Street sale room on May 18.

Mr. Christopher Weston, chairman and managing director of Phillips, London's third biggest auction house which specialises in the middle and lower ranges of the market, said prices had firmed considerably, particularly for furniture, and that the company was being called for extra staff to deal with valuations and to give advice to the public.

Fabian call to aid poor areas of cities

THE DESIGNATION of social priority areas within inner cities, to help regenerate Britain's towns was called for yesterday in a Fabian pamphlet.

The authors want the creation of regional and urban development corporations to channel funds to essential projects that help create and maintain the economic base for the poorest areas.

The pamphlet claims that despite many attempts to replace the structure of inner cities after the big employers have moved out, urban renewal "has failed to create self-sustaining communities. The process of 'development' works proved a disadvantage to those already badly off."

The authors—Nicholas Falk and Harris Martineau—call for a more coherent approach to the management of these areas and the setting up of economic departments within local authorities together with economic plans for metropolitan areas.

Fabian series 389, 51p; from the Fabian Society, 11, Dartmouth Street, London, S.W.1.

LABOUR NEWS

Chemical workers study 30% offer

BY OUR LABOUR CORRESPONDENT

LEADERS OF 60,000 chemical industry workers are considering a revised pay offer which would increase the industry's minimum rate by more than 30 per cent. Few chemical workers, however, are actually on the minimum—used mainly for calculating premium payments—on for the vast majority, who are locally negotiated settlements.

Keep them well above it, the offer involves "new money" increases of about 20 per cent. In addition to these offers, the Chemical Workers' Association, which later this month the unions, led by the Transport and General Workers' Union and the General and Municipal Workers' Union, will consider two alternative offers. They can either have a 4.80 a week on rates from May 8 or £4 from May and a further £1.60 in November.

In addition to these offers, the employers have agreed to boost the minimum rate by a further £3.80, which will be consolidated from existing bonus payments where possible.

Leyland accepts special status for engine tuners

BY OUR OXFORD CORRESPONDENT

BRITISH LEYLAND has likely to be resisted by the Transport and General Workers' Union, which represents most of the 9,000 production line workers at Coventry.

The Amalgamated Union of Engineering Workers, which made the strike official, now accepts Leyland's adoption of the industry's gain recommendation.

The third of the tuners are in the TGWU. The union has agreed to join the talks, but unlike the AUEW, it has merely noted the company's acceptance of the recommendation, and says its consent to join in negotiations is "without commitment."

Prentice warns teachers of threat to employment

FINANCIAL TIMES REPORTER

UNEMPLOYMENT COULD hit teachers in 1976-77, Mr. Reg Prentice, Secretary for Education, said at the weekend in an article which was strongly criticised by the teaching unions. Writing in the magazine Labour Councillor, he said that the education service had to face up to the fact of the country's economic problems like everyone else. As a result there might not be full employment for all new teachers in 1976-77 and school charges might have to be increased.

Mr. Prentice's warning of austerity measures was attacked immediately by the National Union of Teachers and the Employers may leave ACAS over jobs Bill.

Employers may leave ACAS over jobs Bill

EMPLOYERS' representatives may have to withdraw from the Advisory Conciliation and Arbitration Service, one of the mainstays of the Government's industrial relations policy, because of the risks assigned to the service in the Employment Protection Bill, one of its members warns to-day.

Writing in the May issue of Industrial Management, Mr. Tony Peers, industrial relations director of the Engineering Employers' Federation, said the employers could not co-operate with the ACAS drawing up a code of practice on the disclosure of company information to the unions as envisaged by the Bill.

Who on the employers side is going to help in the drafting of a disclosure of information document which can subsequently be used by union representatives as another tool for collective bargaining? Mr. Peers said. ACAS was in danger of becoming a "dead duck" because of political interference.

ITV may go off the air

INDEPENDENT TELEVISION may go off the air indefinitely from next Friday because of a labour dispute. The companies have warned that they may not allow a resumption of work if the Association of Cinematographic Technicians and Allied Trades carries out its threat to go on strike over the Bank Holiday week-end.

ACTT has served official strike notice for the period from 6 a.m. on May 23 to 6 a.m. on May 26 because of a dispute over payments held back during the period of the former Conservative Government's wage freeze.

The companies say that a settlement last summer took care of all outstanding claims and that if the blackout goes ahead there would be "no resumption of work until the union's claim is withdrawn."

£3.5m. contract with Russia

By Our Newcastle Correspondent

GEORGE ANGUS, part of the Duple group, has won a £3.5m. contract to supply machinery and technical knowledge to Russia. The company, which manufactures fluid fields at Wallsend on Tyne, won the contract against strong international competition. It will take 21 years to complete with the first deliveries of moulding and finishing machinery going out in about nine months.

The George Angus order is part of a larger contract won in Russia by the Duple-Pirelli group.



MONO CONTAINERS LTD.

EXTRACT FROM THE CHAIRMAN'S STATEMENT TO THE SHAREHOLDERS

I am happy to be able to tell you that the year 1974 was a record year for Mono Containers. Both turnover and profits of our traditional business at home reached their highest ever levels.

To-day is a challenging time for directors of companies. It is full of interest and demands a great deal of flexibility of thought and action. Current rates of inflation, better usage of raw materials, environmental responsibilities, social obligations to employees, are but a few of the matters that demand a constant re-appraisal of a director's thinking and philosophy. All these changes have to be incorporated into our day to day activity, without losing sight of the basic reason for our existence as directors of this company, which is to expand the business and increase its profitability. Shareholders, quite rightly, demand this of the directors of a company in which they invest their money, and employees at all levels are happier and better motivated if this is the case, and they, in turn, naturally expect their share of the results of prosperity.

Your board of directors are currently planning in detail the next five years of progress and expansion up to 1980. We like to believe that our shareholders are long-term investors and, therefore, interested in the future planning of the company, and we wish to involve them as much as possible in our thinking and planning. In our future planning we are embarrassed by the wide variety of opportunities that exist for expansion in our line of business, both at home and abroad. Every year sees an increase in the usage of disposable items, as traditional articles made of glass or crockery are supplanted by disposables, for reasons of economics, hygiene or safety.

These changes are not only taking place here at home, but also abroad, especially in the more highly developed countries. Behind these changes is a vast research and development programme of new materials, new shapes, new processes of manufacture and printing, being carried out world-wide by a large number of companies. In order to rationalise and economise in effort and expense in combining these opportunities, we have joined forces with several other companies in Europe, in a like manner of business as ourselves, to explore the opportunities that should be followed and pursued.

The last five years has shown a healthy broadening of the activities of the company, both at home and abroad. We fully realise that there is still a lot of work to be done to increase profitability in some areas, and this may involve certain changes, but these additional investments should be looked at from a medium to long term point of view, and have been planned by us on this basis.

1974 has been a challenging year, starting with the upheavals of the period of three days working, caused by the miners' strike, and the shortages of polystyrene, our basic raw material. We survived this period better than we thought we would do at the time, helped in no small manner by British ingenuity at all levels of staff and employees. Business in Britain remained good throughout the year as reflected in the accounts before you.

The general outlook for our company is good. There may well be ups and downs depending on factors outside our control, but we are convinced that our type of business has excellent prospects for future growth and expansion, and we shall do everything in our power to see that this happens.

BANK OF NEW SOUTH WALES

The Board of the Bank of New South Wales, Sydney, today declared an interim dividend of 7 per cent. being 14 cents per share payable on 18 July.

Books will close for determination of dividend entitlements at 5 pm on 20 June.

THE PRESIDENT, SIR JOHN CADWALLADER, REPORTED: That group consolidated profit after tax for the half year ended 31, March 1975 based on unaudited figures decreased by 19 per cent. against profits for the corresponding first half for the previous year. Revenue rose by 17 per cent. Significant rises in costs were a major factor contributing to the current half years results.

It is expected that profits for the full 1974/5 year will be closer to the results for the previous year than is indicated by the first half comparison.

What has Sheraton done for you lately?

FRANKFURT

NOW OPEN. At the airport, the Frankfurt-Sheraton is connected to the main terminal building, only minutes by high-speed train to the city center. And there's a discotheque with entertainment and an indoor heated pool.

MUNICH

The marvelous Sheraton-Munich has a year-round indoor pool, a sauna, great restaurants, nightly entertainment in the discotheque and a great location between the International Airport and downtown.

PARIS

The magnificent new 32-story Paris-Sheraton is perfectly located near Gare Montparnasse, convenient to the city's newest commercial centers and the lively night life of the famous Left Bank.

COPENHAGEN

The Sheraton-Copenhagen, one of Scandinavia's most impressive hotels, is only two blocks from the Air Terminal and famous Tivoli Gardens. And there's a health club, sauna, plus nightclub entertainment.

SHERATON

For a reservation at any Sheraton anywhere in the world ring:

London (01) 636 6411

Or ask the operator for Freefone 2067
Or have your travel agent call.

Sheraton Hotels & Motor Inns

PUBLISH YOUR BOOK IN 90 DAYS

Wanted: book manuscripts on all subjects. Experts editing, design, manufacture and marketing—all under one roof. Completed books in 90 days. Low break-even. Two FREE books and literature give details, costs, success stories.

Write or phone Dept. 740, EXPOSITION PRESS INC., 990 So. Oyster Bay Rd., Hicksville, N.Y. 11801. (516) 822-5700 (212) 895-0081

This notice is under no circumstances to be construed as an offering of these securities for sale or as a solicitation of offers to buy any of these securities, but appears solely for purposes of information.

NEW ISSUES

May 8, 1975

\$150,000,000

ASARCO Incorporated

\$50,000,000

8.80% Notes Due 1983

\$100,000,000

9% Sinking Fund Debentures Due 2000

The First Boston Corporation

Kuhn, Loeb & Co.	Goldman, Sachs & Co.	Merrill Lynch, Pierce, Fenner & Smith	Salomon Brothers
Blyth Eastman Dillon & Co.	Dillon, Read & Co. Inc.	Donaldson, Lufkin & Jenrette	
Drexel Burnham & Co.	Halsey, Stuart & Co. Inc.	Hornblower & Weeks-Hemphill, Noyes	
E.F. Hutton & Company Inc.	Kidder, Peabody & Co.	Lazard Frères & Co.	Lehman Brothers
Loeb, Rhoades & Co.	Paine, Webber, Jackson & Curtis	Reynolds Securities Inc.	Smith, Barney & Co.
Wertheim & Co., Inc.	White, Weld & Co.	Dean Witter & Co.	
Basle Securities Corporation	SoGen-Swiss International Corporation	UBS-DE Corporation	

LEMBAGA LETRIK NEGARA TANAH MELAYU

National Electricity Board of the State of Malaya

TEMENGOR HYDRO-ELECTRIC PROJECT

Upper Perak River, Malaysia

HYDRAULIC, MECHANICAL & ELECTRICAL EQUIPMENT

TENDERS

Tenders are invited from manufacturers for the following contracts:

Contract No. 5067/13—"Gantry Cranes"

- Comprising the supply, delivery and supervision of erection of:
- One power intake gantry crane for intermittent service; span 27 feet. Main hook rating: 110 short tons.
 - One draft tube mobile gantry crane, rating: 15 short tons.

Document Issue—About June 1, 1975
Tender Due—About August 15, 1975

Contract No. 5067/14—"Draft Tube Gates and Pier Nosings"

- Comprising the supply, delivery and supervision of erection of:
- Two draft tube closure bulkhead type slide gates with upstream seals and attachments for rope hoisting for a clear opening of 18 feet by 12.5 feet, with 60 feet hydrostatic head over the sill, together with embedded parts for eight openings.
 - Steel nosings for three draft tube splitter piers.

Document Issue—About June 15, 1975
Tender Due—About September 1, 1975

Contract 5067/15—"Structural Steel"

- Comprising the supply and delivery of:
- Structural steel framing for a power station 220 feet by 60 feet by 50 feet, plus administration and service wings. Approximate weight: 300 short tons.

Document Issue—About August 1, 1975
Tender Due—About October 15, 1975

Tenderers shall be manufacturers or consortia of manufacturers of the items described above and should have had previous experience in the design and manufacture of equipment having the characteristics described.

Full details of manufacturers' experience and their technical and financial competence must be forwarded with their application to:

Project Manager
Temengor Hydro-Electric Project
The Shawinigan Engineering Company Limited
P.O. Box 3016, Station B
Montreal, Quebec, CANADA H3B 3L7

With a copy to:

Project Engineer
Temengor Hydro-Electric Project
Hydro-Electric Division
4th Floor, National Electricity Board
P.O. Box 1003, Kuala Lumpur, Malaysia

Tender documents will be issued by:

Project Manager
Temengor Hydro-Electric Project
The Shawinigan Engineering Company Limited
P.O. Box 3016, Station B
Montreal, Quebec, CANADA H3B 3L7

on payment of a documentation fee of US\$250, international bank draft or money order payable to LEMBAGA LETRIK NEGARA TANAH MELAYU in the case of each contract for which tender documents are requested.

Tenders shall be delivered at the head office of LEMBAGA LETRIK NEGARA TANAH MELAYU, P.O. Box 1003, Kuala Lumpur, Malaysia on the dates indicated for each contract in the schedule above, but the exact date and place for submission of tenders will be specified in the tender documents.

LEMBAGA LETRIK NEGARA is not bound to accept any application or to accept the lowest or any tender. LEMBAGA LETRIK NEGARA is not liable for costs incurred by tenderers in preparing tenders.

INTERNATIONAL BUILDING CONTRACTORS

The Department of Public Works of the Emirate of Abu Dhabi invites tenders for

MINA ZAYED—CONTRACT 20
OUTER HARBOUR BREAKWATER

1. DESCRIPTION OF WORK

- The construction of a rubble mound breakwater about 3350 metres long complete with precast concrete wave wall and armouring with Tetrapods and Dolosse armouring units including supply, transporting and depositing of the rockfill and armouring, manufacture of concrete armouring and wave wall units.
- The construction of an island rubble mound breakwater about 1350 metres long complete with precast concrete wave wall and armouring, and armouring with Tetrapods and Dolosse armouring units including supply, transporting and depositing of the rockfill and armouring, manufacture of concrete armouring and wave wall units.
- The construction of rock retaining banks to retain materials dredged by others from the basin and approach channel including supply, transporting and deposit of rockfill and armouring.
- The salvage and re-use of materials from the existing breakwater.
- The levelling of the existing breakwater, to the same level as the surrounding reclaimed areas, following salvage of materials and the disposal of any surplus material.

2. TENDER DOCUMENTS

- Obtainable from either:
- Sir Alexander Gibb & Partners, P.O. Box 528, Abu Dhabi, or
 - Sir Alexander Gibb & Partners, Standard House, London Street, Reading, RG1 4PS, England.

3. FEES

Dh. 5,000/- (Dirhams Five Thousand Only) payable to the Cashier, Department of Public Works. This amount is non-refundable and must be paid in cash.

4. SUBMISSION OF TENDERS

- In triplicate, each copy marked "Original", "Duplicate" and "Triplicate" and placed in a sealed envelope marked "Mina Zayed—Contract 20—Outer Harbour Breakwater" together with the

tender opening date and time, addressed to:

H. E. The Chairman,
General Project Committee,
P.O. Box 12,
Abu Dhabi.

To be deposited in the tender box at the Department of Planning (opposite the Grand Mosque) not later than 10.00 a.m. on Wednesday 30th July 1975.

A tender bond of 5% of the tender sum valid for 120 (One Hundred and Twenty) days from tender opening date, must be submitted in a separate envelope at the time of submitting the tender. The envelope should be marked "Mina Zayed—Contract 20—Outer Harbour Breakwater" together with the tender opening date and time, name of the tenderer and name of the bank. This envelope must be placed inside the main tender envelope.

Alternatively, the bank may submit the bond in a special sealed envelope marked with the name of the project, name of the tenderer, name of the bank and date and time of tender opening. The amount of the bond should not be shown on the envelope.

5. ADDITIONAL REQUIREMENTS

a. Before taking documents, interested tenderers are required to submit to the Consultants details of their past experience of this type of work.

b. Tenderers will be required at the time of purchasing documents to advise the name of their local partner/agent, if any.

c. The successful tenderer will be required to furnish proof of 5.b. above before the contract is awarded.

d. The successful tenderer at the time of confirming DPW's acceptance of the tender will be required to furnish a performance bond of 10% of the contract sum, valid for the construction period plus 12 (twelve) months maintenance.

6. The Emirate does not bind itself to accept the lowest or any tender.

Hamdan Bin Mohammed Al Nahyan

Chairman

Department of Public Works

Abu Dhabi

UAE

The Government of Papua New Guinea
(Department of Public Works)

INVITES

Prequalification of Contractors
(READVISED)

The Government of Papua New Guinea has the intention to proceed with construction of roads and bridges of the following approximate quantities over the 124 km length (including deviations):

Earthworks 850 000 cu.m.

Pavement 5 000 m.

Drainage Culverts 450 000 cu.m.

Bitumen Surfacing 750 000 sq.m.

Bridges (one- or two-lane) 12

Bridge Deck Area 3 000 sq.m.

Steel Pile Driven Length 6 000 m.

Tender documents are expected to be available near the end of this year and will be forwarded only to Tenderers whose prequalification has been accepted.

Contractors from member countries of the Asian Development Bank and Luxembourg with proven experience and capability in the field of highway and bridge construction may apply for prequalification.

Prequalification Documents

are available from

LEA-CAMERON JOINT VENTURE
CONSULTING ENGINEERS
P.O. BOX 1280
PAPUA NEW GUINEA

Closing date for receipt of applications is September 1, 1975.

APR 1975

TENDER NOTICE

Sealed Tenders are invited on behalf of the President of India for supply of 22 Nos. of Cash Register Machines for the Revenue Accounts of the Government of India. The cost of the equipment will be borne by the Government of India.

2. Interested tenderers may obtain a copy of the tender documents containing commercial conditions and the relevant technical specifications from the Asst. Director General (Financials) Room No. 314, P&T Directorate, New Delhi (India) on payment of Rs. 100/- (one hundred rupees) by cash or by bank draft or by cheque drawn on any branch of the State Bank of India or any other bank authorized to receive deposits from the public.

3. The successful tenderer will be required to furnish proof of 5.b. above before the contract is awarded.

4. The successful tenderer at the time of confirming DPW's acceptance of the tender will be required to furnish a performance bond of 10% of the contract sum, valid for the construction period plus 12 (twelve) months maintenance.

5. The Emirate does not bind itself to accept the lowest or any tender.

Hamdan Bin Mohammed Al Nahyan

Chairman

Department of Public Works

Abu Dhabi

UAE

1. The tender documents are available from the Asst. Director General (Financials) Room No. 314, P&T Directorate, New Delhi (India) on payment of Rs. 100/- (one hundred rupees) by cash or by bank draft or by cheque drawn on any branch of the State Bank of India or any other bank authorized to receive deposits from the public.

2. The tender documents are available from the Asst. Director General (Financials) Room No. 314, P&T Directorate, New Delhi (India) on payment of Rs. 100/- (one hundred rupees) by cash or by bank draft or by cheque drawn on any branch of the State Bank of India or any other bank authorized to receive deposits from the public.

3. The tender documents are available from the Asst. Director General (Financials) Room No. 314, P&T Directorate, New Delhi (India) on payment of Rs. 100/- (one hundred rupees) by cash or by bank draft or by cheque drawn on any branch of the State Bank of India or any other bank authorized to receive deposits from the public.

4. The tender documents are available from the Asst. Director General (Financials) Room No. 314, P&T Directorate, New Delhi (India) on payment of Rs. 100/- (one hundred rupees) by cash or by bank draft or by cheque drawn on any branch of the State Bank of India or any other bank authorized to receive deposits from the public.

5. The tender documents are available from the Asst. Director General (Financials) Room No. 314, P&T Directorate, New Delhi (India) on payment of Rs. 100/- (one hundred rupees) by cash or by bank draft or by cheque drawn on any branch of the State Bank of India or any other bank authorized to receive deposits from the public.

6. The tender documents are available from the Asst. Director General (Financials) Room No. 314, P&T Directorate, New Delhi (India) on payment of Rs. 100/- (one hundred rupees) by cash or by bank draft or by cheque drawn on any branch of the State Bank of India or any other bank authorized to receive deposits from the public.

7. The tender documents are available from the Asst. Director General (Financials) Room No. 314, P&T Directorate, New Delhi (India) on payment of Rs. 100/- (one hundred rupees) by cash or by bank draft or by cheque drawn on any branch of the State Bank of India or any other bank authorized to receive deposits from the public.

8. The tender documents are available from the Asst. Director General (Financials) Room No. 314, P&T Directorate, New Delhi (India) on payment of Rs. 100/- (one hundred rupees) by cash or by bank draft or by cheque drawn on any branch of the State Bank of India or any other bank authorized to receive deposits from the public.

9. The tender documents are available from the Asst. Director General (Financials) Room No. 314, P&T Directorate, New Delhi (India) on payment of Rs. 100/- (one hundred rupees) by cash or by bank draft or by cheque drawn on any branch of the State Bank of India or any other bank authorized to receive deposits from the public.

10. The tender documents are available from the Asst. Director General (Financials) Room No. 314, P&T Directorate, New Delhi (India) on payment of Rs. 100/- (one hundred rupees) by cash or by bank draft or by cheque drawn on any branch of the State Bank of India or any other bank authorized to receive deposits from the public.

11. The tender documents are available from the Asst. Director General (Financials) Room No. 314, P&T Directorate, New Delhi (India) on payment of Rs. 100/- (one hundred rupees) by cash or by bank draft or by cheque drawn on any branch of the State Bank of India or any other bank authorized to receive deposits from the public.

12. The tender documents are available from the Asst. Director General (Financials) Room No. 314, P&T Directorate, New Delhi (India) on payment of Rs. 100/- (one hundred rupees) by cash or by bank draft or by cheque drawn on any branch of the State Bank of India or any other bank authorized to receive deposits from the public.

13. The tender documents are available from the Asst. Director General (Financials) Room No. 314, P&T Directorate, New Delhi (India) on payment of Rs. 100/- (one hundred rupees) by cash or by bank draft or by cheque drawn on any branch of the State Bank of India or any other bank authorized to receive deposits from the public.

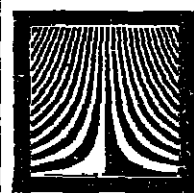
14. The tender documents are available from the Asst. Director General (Financials) Room No. 314, P&T Directorate, New Delhi (India) on payment of Rs. 100/- (one hundred rupees) by cash or by bank draft or by cheque drawn on any branch of the State Bank of India or any other bank authorized to receive deposits from the public.

15. The tender documents are available from the Asst. Director General (Financials) Room No. 314, P&T Directorate, New Delhi (India) on payment of Rs. 100/- (one hundred rupees) by cash or by bank draft or by cheque drawn on any branch of the State Bank of India or any other bank authorized to receive deposits from the public.

16. The tender documents are available from the Asst. Director General (Financials) Room No. 314, P&T Directorate, New Delhi (India) on payment of Rs. 100/- (one hundred rupees) by cash or by bank draft or by cheque drawn on any branch of the State Bank of India or any other bank authorized to receive deposits from the public.

17. The tender documents are available from the Asst. Director General (Financials) Room No. 314, P&T Directorate, New Delhi (India) on payment of Rs. 100/- (one hundred rupees) by cash or by bank draft or by cheque drawn on any branch of the State Bank of India or any other bank authorized to receive deposits from the public.

18. The tender documents are available from the Asst. Director General (Financials) Room No. 314, P&T Directorate, New Delhi (India) on payment of Rs. 100/- (one hundred rupees) by cash or by bank draft or by cheque drawn on any branch of the State Bank of India or any other bank authorized to receive deposits from the public.



The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

HANDLING

Electronics improves lifters

HAILED by the company as a major advance in design the electronically controlled lift trucks announced by Lancer Bros. are the 4,000 lb to 7,000 lb cushion and pneumatic-tired P and M series.

More torque at the driving wheels means that trucks can be operated rapidly and confidently over sloping and uneven ground—usually barred to electrically—while greater flexibility in controlling lift and tilt enables fragile loads to be handled safely.

Novel methods of controlling hydraulic and traction functions based on silicon controlled rectifiers, have been called "Varispeed and Supertronic Hi-traction".

Infinitely variable control of power steering, tilt and lift speed are provided by the modular

electronic Varispeed, which pulse-controls a single hydraulic pump motor at three speeds—low, slow and high. At 500 rev./min. the pump supplies steering; at 1,000 rev./min. it operates tilt and lift; and at 3,000 rev./min. it provides full-speed lift.

Varispeed also improves usage of available battery power. In many applications, it will give significantly more working life per charge compared with traditional systems. Moreover, motor life is lengthened.

Hi-traction, the second generation of the LancerBos Supertronic, controls the drive motor to give a stepless range of travel speeds with fine inching ability. Its principal feature is the much higher torque that can be generated in the traction circuits on demand. These reduce cycle times, provide faster negotiation of ramps, and more rapid

acceleration to optimum working speeds. The trucks can negotiate potholes, kerbs and other obstacles with full electronic and thermal motor protection.

Hi-traction thus enables pneumatic-tired electric machines to be operated out of doors over ground and on duties more suitable until now, for diesel.

In one test, a truck completed a 100 feet sprint only one second slower than its diesel-engined counterpart.

All control gear is subject to the LancerBos warranty of 4,000 hours or two years' operation. Many components and sub-assemblies are interchangeable with those on L-Engine models to minimize spare holdings and simplify servicing for users of both types.

LancerBos, Leighton Buzzard, Beds LU7 8SR. Leighton Buzzard 2051.

RADIO & TV

Accurate receiver

LIKELY APPLICATIONS for a new pair of vhf professional quality radio receivers from Edgewise Radio are point-to-point fixed and mobile communication, search and surveillance within the band, monitoring and laboratory use.

There are two versions, one covering the 25 to 235 MHz band (the 1980R/1) and the other extended to 500 MHz, the 1980R/2. The two receivers are otherwise identical and provide reception facilities for am, fm, cw and pulse transmissions.

Operating voltage can be taken from any standard 40 to 60 Hz ac mains, or 12 V dc with negative earth.

The receivers provide excellent rejection of interfering signals. Birmingham B31 3PP (021 475 2231).

METALWORKING

MIG for the amateurs

NEW, MOBILE MIG welding for the light fabricator with little practical experience of such equipment, is being made by BOC Equipment, Milton Keynes, Bucks.

Lynxapac 200 operators need only know the thickness of material to be welded, dialling the value on a simple scale which says where to position the two voltage switches to obtain the optimum welding condition. The next simple step is to press the torch switch. The unit then welds.

BOC is aiming at small fabricators, who are anxious to boost production and cut welding costs, but have been put off until now by the apparent complexity of MIG equipment and the need for a skilled operator.

Lynxapac 200 combines a 200 ampere power source and wire feed unit within a single strong case, mounted on fixed under-gear with integral cylinder carrier. It can be used for continuous welding of mild steel sheet and plate from 0.8mm to 6mm (22swg to 1/4 in.) and has a built-in spot welding facility for sheet metal.

Supplied with LT-3M MIG torch, 3m lead, reel of 0.8mm wire, gas regulator for argon/5 per cent CO₂ (Argoshield 5) shielding gas, plus all torch and feeder accessories, it needs only the mains supply and cylinder of gas to begin welding.

Other wire sizes, up to 1.2mm, can be accommodated and CO₂ shielding gas may be used after adding an optional heated regulator. A heater power supply and plug are standard fittings.

BOC, Hammonds House, London W8 8DX. 01-748 2020.

Teeth for cleaning crucibles

OSBORN-MUSSET Tools was approached by the British Aluminium Co., with technical problem on cutting teeth for a not constitute a hazard to health.

The cleaning A gallon is sufficient to cover machine consists of a wheel with 1,200 square feet or a 1 inch strip teeth on its diameter and circumference—14,000 feet long—well over 24 inches—it is used to remove miles of welding.

Tests performed by the North of England Industrial Health Service shows that thermal degradation products associated with the welding of steel plate and the welding of steel plate on cutting teeth for a not constitute a hazard to health.

The cleaning A gallon is sufficient to cover machine consists of a wheel with 1,200 square feet or a 1 inch strip teeth on its diameter and circumference—14,000 feet long—well over 24 inches—it is used to remove miles of welding.

Tests performed by the North of England Industrial Health Service shows that thermal degradation products associated with the welding of steel plate and the welding of steel plate on cutting teeth for a not constitute a hazard to health.

The cleaning A gallon is sufficient to cover machine consists of a wheel with 1,200 square feet or a 1 inch strip teeth on its diameter and circumference—14,000 feet long—well over 24 inches—it is used to remove miles of welding.

Tests performed by the North of England Industrial Health Service shows that thermal degradation products associated with the welding of steel plate and the welding of steel plate on cutting teeth for a not constitute a hazard to health.

The cleaning A gallon is sufficient to cover machine consists of a wheel with 1,200 square feet or a 1 inch strip teeth on its diameter and circumference—14,000 feet long—well over 24 inches—it is used to remove miles of welding.

Tests performed by the North of England Industrial Health Service shows that thermal degradation products associated with the welding of steel plate and the welding of steel plate on cutting teeth for a not constitute a hazard to health.

The cleaning A gallon is sufficient to cover machine consists of a wheel with 1,200 square feet or a 1 inch strip teeth on its diameter and circumference—14,000 feet long—well over 24 inches—it is used to remove miles of welding.

Tests performed by the North of England Industrial Health Service shows that thermal degradation products associated with the welding of steel plate and the welding of steel plate on cutting teeth for a not constitute a hazard to health.

The cleaning A gallon is sufficient to cover machine consists of a wheel with 1,200 square feet or a 1 inch strip teeth on its diameter and circumference—14,000 feet long—well over 24 inches—it is used to remove miles of welding.

Tests performed by the North of England Industrial Health Service shows that thermal degradation products associated with the welding of steel plate and the welding of steel plate on cutting teeth for a not constitute a hazard to health.

The cleaning A gallon is sufficient to cover machine consists of a wheel with 1,200 square feet or a 1 inch strip teeth on its diameter and circumference—14,000 feet long—well over 24 inches—it is used to remove miles of welding.

Tests performed by the North of England Industrial Health Service shows that thermal degradation products associated with the welding of steel plate and the welding of steel plate on cutting teeth for a not constitute a hazard to health.

The cleaning A gallon is sufficient to cover machine consists of a wheel with 1,200 square feet or a 1 inch strip teeth on its diameter and circumference—14,000 feet long—well over 24 inches—it is used to remove miles of welding.

Tests performed by the North of England Industrial Health Service shows that thermal degradation products associated with the welding of steel plate and the welding of steel plate on cutting teeth for a not constitute a hazard to health.

The cleaning A gallon is sufficient to cover machine consists of a wheel with 1,200 square feet or a 1 inch strip teeth on its diameter and circumference—14,000 feet long—well over 24 inches—it is used to remove miles of welding.

Tests performed by the North of England Industrial Health Service shows that thermal degradation products associated with the welding of steel plate and the welding of steel plate on cutting teeth for a not constitute a hazard to health.

The cleaning A gallon is sufficient to cover machine consists of a wheel with 1,200 square feet or a 1 inch strip teeth on its diameter and circumference—14,000 feet long—well over 24 inches—it is used to remove miles of welding.

Tests performed by the North of England Industrial Health Service shows that thermal degradation products associated with the welding of steel plate and the welding of steel plate on cutting teeth for a not constitute a hazard to health.

The cleaning A gallon is sufficient to cover machine consists of a wheel with 1,200 square feet or a 1 inch strip teeth on its diameter and circumference—14,000 feet long—well over 24 inches—it is used to remove miles of welding.

Tests performed by the North of England Industrial Health Service shows that thermal degradation products associated with the welding of steel plate and the welding of steel plate on cutting teeth for a not constitute a hazard to health.

The cleaning A gallon is sufficient to cover machine consists of a wheel with 1,200 square feet or a 1 inch strip teeth on its diameter and circumference—14,000 feet long—well over 24 inches—it is used to remove miles of welding.

Tests performed by the North of England Industrial Health Service shows that thermal degradation products associated with the welding of steel plate and the welding of steel plate on cutting teeth for a not constitute a hazard to health.

The cleaning A gallon is sufficient to cover machine consists of a wheel with 1,200 square feet or a 1 inch strip teeth on its diameter and circumference—14,000 feet long—well over 24 inches—it is used to remove miles of welding.

Tests performed by the North of England Industrial Health Service shows that thermal degradation products associated with the welding of steel plate and the welding of steel plate on cutting teeth for a not constitute a hazard to health.

The cleaning A gallon is sufficient to cover machine consists of a wheel with 1,200 square feet or a 1 inch strip teeth on its diameter and circumference—14,000 feet long—well over 24 inches—it is used to remove miles of welding.

Tests performed by the North of England Industrial Health Service shows that thermal degradation products associated with the welding of steel plate and the welding of steel plate on cutting teeth for a not constitute a hazard to health.

The cleaning A gallon is sufficient to cover machine consists of a wheel with 1,200 square feet or a 1 inch strip teeth on its diameter and circumference—14,000 feet long—well over 24 inches—it is used to remove miles of welding.

Tests performed by the North of England Industrial Health Service shows that thermal degradation products associated with the welding of steel plate and the welding of steel plate on cutting teeth for a not constitute a hazard to health.

The cleaning A gallon is sufficient to cover machine consists of a wheel with 1,200 square feet or a 1 inch strip teeth on its diameter and circumference—14,000 feet long—well over 24 inches—it is used to remove miles of welding.

PROCESSES

Tanker wash with crude

BP HAS pioneered and is making commercially available a method of using cargo for tank washing on crude-carrying tankers. Recently, a successful seminar for 18 major Norwegian operators was held in their country.

Building and Civil Engineering

£14m. housing for Bovis

GLC HAS given Bovis Construction the major building contract for Phase II of the Elthorne Road housing development at Ilford, North London.

The scheme comprises 717 dwellings in 56 blocks. In addition, there will be shops, tenants' recreation facilities, an old people's club, a rent office and extensive external works. Three boiler houses will supply district heating and hot water throughout the scheme, which covers an area of approximately 10 hectares.

The work is to be completed in eight sections over a period of five years, on a value/cost basis, and is estimated to cost in the region of £13m.

Bovis and the GLC are jointly setting up an autonomous office

at the site to administer and direct the scheme in its entirety. The first dwellings section (85 homes) is due to be completed in April, 1977, and further sections will be achieved at an average of six-monthly intervals.

Dwellings and ancillary buildings are generally of load-bearing brickwork and timber, pitched roof, covered with tiles. Party floor slabs and boiler houses are of reinforced concrete, as are the tie beams, edge beams and columns in the maisonettes.

Existing within the area covered by the Elthorne Road scheme is the Archway School, access to which has to be maintained throughout the building programme.

Bowey group takes £1.2m.

London Borough of Southwark has awarded further housing work to Southwark Construction, the joint contracting organisation formed by the Borough's Direct Works Department with management and consultancy services supplied by Bovis Construction.

The contract secured in open competition is valued at £755,000. It involves the construction of 58 dwellings in 28 units at Southwark Park Road, plus 23 garages in three separate groups. Work on site is due to begin in July-August, 1975, and the contract period will be 31 months.

The dwellings are of load-bearing crosswall construction, with in situ suspended floor slabs and timber pitched roofs covered with tiles.

roads and sewers contract and a £51,000 roadworks contract from Washington Development Corporation.

Further contracts totalling about £150,000 have also been won by group subsidiary companies Gosforth Joinery Works, Gosforth Painters, Internal Building Services, J Ward (Electrical) and Greener Engineering Service.

Further contracts totalling about £150,000 have also been won by group subsidiary companies Gosforth Joinery Works, Gosforth Painters, Internal Building Services, J Ward (Electrical) and Greener Engineering Service.

Further contracts totalling about £150,000 have also been won by group subsidiary companies Gosforth Joinery Works, Gosforth Painters, Internal Building Services, J Ward (Electrical) and Greener Engineering Service.

Halcrow's Guyana team

WORLD BANK backing has been provided for a large rehabilitation and irrigation scheme primarily to expand rice production in Guyana. Total value of the contracts to be awarded will amount to \$US181m, with the World Bank providing \$12.9m.

Sir William Halcrow and Partners will be the team leaders in the civil engineering consultancy job, the other members being Bookers Engineering and Technical Services and Urwick, Lugg and Gould.

Aubrey Barker Associates of Georgetown will play an important role in advising the team which has to decide on the best methods of rehabilitating some 25,000 acres of irrigated land and of bringing into cultivation a further 41,750 acres.

The planning and design of considerable extents of irrigation channels and drainage systems will be one of the major operations in the work of the consultants.

Wimpey's three jobs

BOROUGH of Eastleigh has placed a £1m. job with Wimpey involving 167 dwellings in No. 1 Fine's techniques.

Of these houses, 135 will be three-bedroom units and 32 one-bedroom flats. Roads, sewers and external works form part of the contract, due for completion in September next year.

Northwards, over the border, Greenock will be the site for a £776,000 contract for 61 homes, built to the design of Greenock Corporation.

In Canada, following on the £335m. work announced last week, Wimpey's Canadian subsidiary has won another £560,000 of work on three new jobs.

In this area it is expected that there will be a further growth in turnover during 1975 from the record £23m. in 1974.

Cat cracker in Nigeria

KELLOGG International Corporation, London, and the M. W. Kellogg Company, Houston, have completed the process design and basic engineering of a 26,000 barrel per day fluid catalytic cracker which will be installed in a 100,000-bpd grassroots refinery due to go on stream in Warri, Nigeria, in 1978.

Total value of the cracker section is put at £3m. and it is contracted for by the Federal Ministry of Mines and Power of Nigeria. It will be the first of Kellogg's new Orthotlow F Riser cracker design to be installed in Africa, and one of nine such units currently contracted for throughout the world.

Rotherham's air to be cleaner

CARTER Horseley Engineers, part of the Clarke Chapman Group, has won contracts totalling more than £2m. from the British Steel Corporation for fume extraction ducting in its electric melting shops at Templeborough and Aldwarke, Rotherham.

Templeborough is the first of the contracts, and the new installation will substantially reduce the volume of red dust emitted to atmosphere from the roof of the melting shop building. The result will be a cleaner environment and considerable dilution of the nuisance created on the nearby Sheffield-Rotherham trunk road in adverse weather conditions.

Nene Valley roadworks

WORTH £3,164,000, the contract for Stage II of the Nene Valley Way in Northampton has been awarded to A. Monk and Co. and will be carried out by the company's Rugby office. Completion of the works is expected by October, 1976.

In addition to the construction of 3 km of dual carriageway two lane roadway, the contract involves a new two level junction, three road overbridges and

Insurance on damage

INFLATION at more than 2 per cent per month has led to a threatening new dimension to the contractor's nightmare: heavy damage to a project when it is almost completed.

Insurance based on the original contract price is useless in such a situation today, so a day has been achieved by John Kennedy (Civil Engineering) using a Ramshorn 5000 hydraulic trench shoring machine during the construction of a 1,000 metre overflow pipeline serving the North Western Water Authority's Flyde water supply unit near Garstang, Lancashire.

Lawrence in at DoE

WALTER Lawrence and Son has a £755,000 contract awarded by the Department of the Environment to undertake Phase 1 of a rationalisation scheme at the Royal Aircraft Establishment, Bedford.

Work has started on site and the contract period is for 18 months.

Property Services Agency is acting as architect, consulting engineer and quantity surveyor on this project.

Meanwhile, Walter Lawrence (East Anglia) has won another £200,000 contract with the Services Agency for building work at RAF stations Woodbridge and Beotwaters, Suffolk.

Additions to crash and fire tender buildings are involved and the contract period is ten months.

Costain's £9m. in Nigeria

TWO IMPORTANT jobs worth \$5m. have gone to Costain (West Africa), only publicly quoted construction company in the country. Civil engineering works for extensions at Nkalagu Cement Works and Ngbo Quarry for the Nigerian Cement Company will account for \$4m. of the total. Nkalagu is a fully operational cement works and the new structures will be adjacent to those already in existence. The contract is to design and construct machinery foundations, concrete superstructures and structural steel buildings.

Additional facilities provided by Costain will be: 2 kilns with

coal mills and smoke chambers; 2 concrete chimneys each 60m. high; 2 raw mills; 2 cement mills; 3 bays to crane store with retaining walls; slurry basin and pump house; conveyor and substitution extension. The contract also includes roads and drainage and a small bridge over an adjacent river.

The second contract, for over \$5m. was awarded to Costain by the Rivers State Government to construct a ten-storey podium block for the New Secretariat at Port Harcourt. Construction generally will be of reinforced concrete frame on piled foundations with blockwork infilling and metal windows.

Ready mixed code must help users

AS A LOGICAL development to its authorisation scheme, British Ready Mixed Concrete Association has published its code for the specification, ordering and production of ready mixed concrete.

The only construction material manufactured under factory conditions, ready mixed is sold in a partially finished state and then has to be handled and compacted into place by the purchaser to provide the end-product required by the specifier. A satisfactory concrete job depends upon co-operation of the many people involved. When difficulties occur, they are usually traced to a lack of communication, understanding and co-operation between the specifier, the purchaser and the supplier.

It is to overcome these difficulties that BRMCA has prepared its code, the main parts of which cover the responsibilities of the specifier, the purchaser and the supplier whenever ready mixed is used.

Part I lists the essential items which the specifier should include in his specification for concrete, including concrete mixes and standards of production, preferred mixes, materials and workability; the methods to be used and the action to be taken when the concrete does not comply. These items apply to all specifications, prepared by architects, engineers and public authorities.

Part II describes the information which should be provided

by the purchaser and the supplier at the inquiry and quotation stages of the contract.

The supplier can only satisfy the needs of the specifier and purchaser if, for every order, he is provided with full details of the concrete mixes and any special delivery and handling requirements.

Parts III and IV describe in detail the BRMCA Authorisation Scheme which lays down minimum standards for the production and technical control of ready mixed concrete. Each BRMCA member has agreed to abide by the standards and to undertake written undertakings that these standards will be maintained at each and every depot and that defects will be promptly corrected.

Every one of the 1,000 depots of BRMCA members complies with the basic part of the scheme and over 440 have been certified as a "BRMCA Approved Depot with Quality Control Procedures."

In less than 25 years, the ready mixed industry has grown to become the major producer of concrete in Britain, supplying an average of 30m. cubic metres annually from 1,100 depots in all parts of the U.K. In 1974, 44 per cent of the total cement production was consumed by the industry, representing as much as two-thirds of the total in situ concrete placed by the contractor. BRMCA member companies supply over 95 per cent of the total ready mixed output in the U.K.

Waste into aggregate

EMPHASIS on the preservation of the environment and the conservation of natural resources has focused attention on the problems of aggregates supplies for the construction industry and the possibilities of using waste materials and industrial by-products in building.

A comprehensive survey of the locations, disposal and prospective uses of the major industrial by-products and waste materials was made by the Building Research Establishment last year. Research is now in progress at Garston on the manufacture of synthetic aggregates from waste materials, unused sections of natural aggregates and low-grade aggregates, and use of fly-ash and ground granulated slag in cement and concrete.

BRE is also looking at the energy consumed in the manufacture of building materials. The BRE Scottish Laboratory is advising on the use of waste materials in many fields including the North Sea oil programme. Granulated slag from the Lanarkshire steelworks is made into blast furnace slag cement which, being low heat producing is suitable for large dams and marine structures. Pulverised fuel ash from Scotland's six coal-fired power stations could replace a part of the cement required for concrete oil platforms.

Oil platform construction needs deep water close inshore for floating out the structures and flat coastal land for ancillary buildings. Millions of tonnes of waste colliery shale and spent oil shale are available for the land reclamation which is natural action in the Forth and Clyde estuaries.

BRS, Garston, Watford WD2 7JR. Garston (Herts) 74040.

Oscillation of oil rigs

ONE problem associated with circular piles in deep fast-flowing waters is a tendency for them to oscillate and the flow of the water. It is only recently, however, with the construction of the deep-water oil-tanker jetty in the River Humber at Immingham, that the oscillation of piles in line with the direction of flow has been identified as a practical problem.

CIRIA, the British Transport Docks Board, the National Physical Laboratory, John Mowlem and Co. and Atkins Research and Development collaborated to investigate the unexpected phenomenon and found that it was caused by variations of drag forces on the piles associated with the shedding of vortices.

An experimental pile was observed at Immingham. It was

found that the fins attached to this pile significantly reduced the in-line oscillation. The fins, which could be steel strips welded before or after driving, may provide a solution to the problem of in-line oscillation that is cheaper than cross bracing or the driving of larger piles. As a result of full-scale experimental work, a considerable amount of know-how on this subject now exists.

It has been suggested that offshore platforms could also oscillate while on location or being towed to location. Planned piles towers therefore have an application.

NRDC holds the know-how which arose from the work at Immingham as well as patents and patent applications in the U.K., France, West Germany, Iran, Japan, Kuwait and Australia.

David Vessey, Mechanical and Civil Engineering Group, NRDC, 66, Victoria Street, London SW1E 6SL (01-828 3400).

Underground goes ahead

WORK HAS just started on a section of the westward extension of the Brussels Metro being carried out by the Societe des Transports Intercommunaux de Bruxelles.

Consulting engineers for the east-west axis are Mott, Hay and Anderson International of London, in association with Frederic R. Harris (Belgium) SA of Brussels. The two contractors for the contracts in the section are CIEB and SOVRAV, both of Brussels.

The extension, which includes 125 km of running tunnel and two stations has an estimated

cost for the civil works of £11.7m.

All of the works, including a passage under the Charleroi Canal, are being built by "cut and cover" methods through the area scheduled for redevelopment in the near future. The construction method should minimise the disturbance to traffic and adjoining property by employing an inverted sequence of operations—first the walls and the roof are formed, after which the ground level is reinstated and thereafter excavation and construction continues downwards.

Nylon dam can save Venice

SIX MONTHS of operational trials on Italy's Adriatic coast have proved conclusively that the rubber-coated nylon dam system announced by Pirelli and construction firm Furiani last October, and extensively reported on the Technical Page, will save Venice from the annual floods that have eroded the ancient city for centuries. The tests have been so successful that Pirelli technicians say the barrier is now ready to be set up in the Venice lagoon itself.

Since November, a 220-foot-long mini dam has been undergoing tests in the water across a Po delta channel mouth at Punta Fila on the Adriatic. During that time, Pirelli has demonstrated the system's suitability as a solution to the Venice problem but also as a cheap, quick-to-install and durable advance in hydro-technology which could supercede traditional steel and concrete dams for many industrial, agricultural and civil projects.

Subjected to a constant tidal current speed of over 3 feet per second, the mini dam resisted successfully heavy waves, winds and abrasively uneven sea bed during its six months' trial. Technicians measured fabric stresses, the effectiveness of the system's special anchor clamps and how the mini dam conformed to sudden changes in the level of the sea bed due to the strong currents. To make the tests even more severe, Pirelli engineers dug additional craters into the sea bed but the dam still anchored strongly to the sea bottom, adapting itself to all uneven surfaces without leakage.

To halt the Venice floods, giant Pirelli rubberised nylon tubes up to 1,000 yards long will span the three channels—Lido, Chioggia and Malamocco—that link the Venetian lagoon with the open sea. When not in use, the barriers will lie uninfated and out of site on the sea bed. On instructions from a specially programmed computer, turbo pumping stations on both sides of each channel mouth will inflate each barrier with water. This will raise the dams to a height above sea level to repel wind-whipped waves, ensuring the Venetian lagoon's water level remains constant and that the city stays free from floods.

Pirelli, Thavies Inn House, 34, Holborn Circus, London EC1N 2QA (01-353 5102).

works and pump house for the new River Wear water supply scheme. Also included in Kier's contract is the aqueduct from the pump house to the treatment works, now under construction a mile away, by Gleeson's.

Design work on two Cotswold sewerage schemes was completed recently by John Dossor and Partners, a member firm in Associated Engineering Consultants. These schemes will provide sewerage facilities in the villages of Coln St. Aldwyns, Eastleach and Southport on an estimated cost of £500,000. Tenders will be invited shortly.

Ostermill Group has received orders worth more than £150,000 for distribution equipment for the new St. George's Hospital under construction at Tooting for the South West Thames Regional Health Authority. It includes packaged substations, switchboards, motor control centres, rising main busbar systems and meter distribution boards.

Doors stand up to fire

FIRE-RESISTANT fully glazed doors and double entrance in all panels has been introduced by Jandor Metal Doors, Abbey Road, Park Royal, London NW10 (01-965 0862).

Jandor range includes single, double and double entrance door sets complete with ironmongery and fittings finished in stove enamel—finish can be in any BS colour. Also available are matching fully-glazed screens, partitions, fan-lights and side-lights.

Construction of the Jandor range is of profiled 2mm thick welded steel tubular sections uniformly of 40 mm, each unit sized to conform with the standard range of sizes recommended for building components. Installation is simple and

Kuwait job for GEC

GEC-ELLIOTT Mechanical Handling is to install a comprehensive passenger baggage handling system for the new terminal building at Kuwait International Airport. A contract worth nearly £2m. was signed recently between GEC and the main contractor, the Government of Kuwait, Ministry of Public Works—J. V. Ballast Nedam/Solico.

Acting as local agent for the project, which is expected to be fully operational by the end of 1977, is the Kuwait Trading Company of Kuwait.

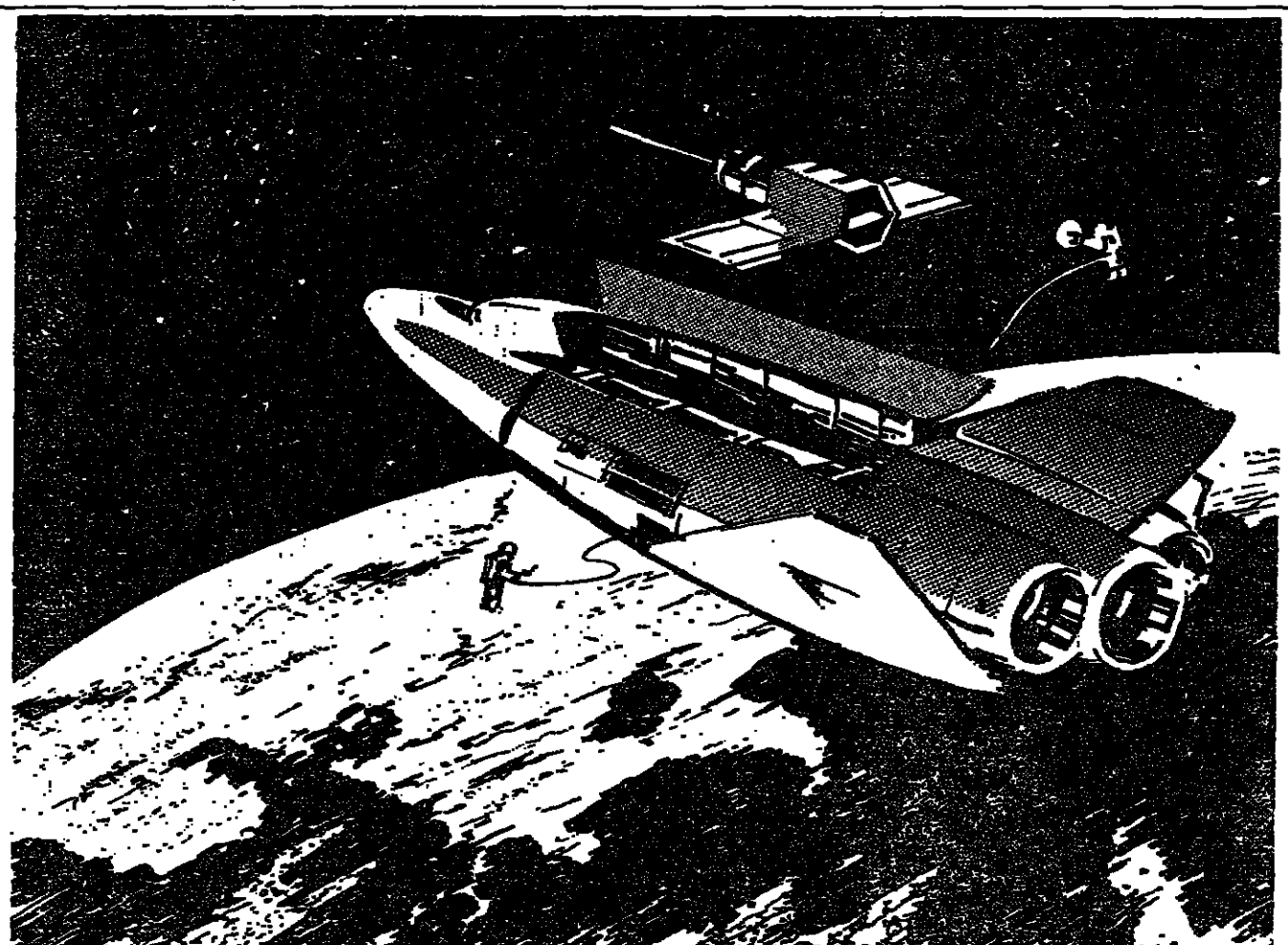
IN BRIEF

● South East Thames regional Health Authority has awarded design and build contract worth £158,000 to Mears Construction for two blocks of staff residential accommodation at Bexley Hospital, Kent. The T-shaped block of traditional construction to NBBRC standards comprises 27m x hollow walls, concrete ground floor, pre-stressed precast concrete suspended upper floor, and concrete slated roof on TRADA-type roof trusses.

● National Federation of Builders' and Plumbers' Merchants, representing 95 per cent of builders in the U.K., has purchased the freehold of No. 15 Soho Square, London W1, for £180,000. This Grade II seventeenth century listed building is on four levels and comprises a total area of 3,700 square feet. It will become the new headquarters for the Federation when it moves from its present offices at High Holborn in October.

● Consultancy Services of the Associated Portland Cement Manufacturers—Blue Circle—has signed a £1.7m. agreement with Les Ciments de l'Afrique de l'Ouest (CIMAOC), a company operating in Togo, to provide engineering services for a new cement industry.

● Sunderland and South Shields Water Company has awarded Kier of the French-Kier group a £919,610 contract for the construction of the main intake



Take the long view

There are two ways to buy reinforcing bars. You can chop and change...moving from one supplier to the next to get what you think is the best deal at any given time. Or you can build up a steady working relationship with a supplier.

At GKN (South Wales) we go along with the second method. If a customer sticks with us (and most of ours do) then we stick with him. We make sure he gets a fair deal on our GK TorBar reinforcing bars—through good times and bad, through steel glut and steel famine.

It's a policy that pays off in the long run for both supplier and buyer. If the GKN way is the way you like to do business, get in touch with us now.

GK TorBar... ■ Readily weldable ■ High yield ■ High bond

... cold worked reinforcing bar.

GKN (South Wales) Ltd
Castle Works, Cardiff CF11 1TQ.
Tel: 0222-33033. Telex: 49316.
A member of GKN Rolled & Bright Steel Ltd.

BUILDINGS IN A HURRY TO HIRE OR BUY

Youngman SYSTEM BUILDING

Sectional Buildings — Mobiles — Site Accommodation

THAME 2903

YOUNGMAN SYSTEM BUILDING LTD
Priest End Thame Oxford OX9 2HD

BRANCHES NATIONWIDE

HIRE HEW

— he has everything you need to keep the job moving. Remember, anything they can do Hew can do better.

HEWLETT-STUART Plant Hire Nationwide

Some signs of realism

A FEW WEEKS ago Mr. Sidney Weizhell, general secretary of the National Union of Railwaymen, said his union's demand for a 30 per cent. wage increase had nothing whatever to do with the financial viability of the railway industry. This seemed to reflect the widely-held view, which affects attitudes to productivity as well as to wages, that nationalised industries are insulated from the commercial pressures which affect the private sector. Because of their monopoly position and the essential nature of the goods or services they provide, the public will always have to pay whatever prices are charged and the Government will always cover whatever deficits may be incurred.

Rising prices

A brave attempt to dispel this complacency was made last week by Mr. Tom Jackson, general secretary of the Union of Post Office Workers. He told the union's delegate conference that their jobs and their earnings existed "because at the right price people post letters and parcels—there is no other reason." He said the Post Office was not far from the point where rising prices would send the demand for its services spiralling downwards, with disastrous effects on employment.

In these circumstances it was essential for the union to drop its long-standing opposition to mechanisation and to work with the management in improving productivity. Mechanisation was not a complete answer to the industry's problems, but without it the Post Office would have no chance of maintaining its services at anything like their present level. A choice had to be made between a gradual decline in employment through mechanisation, by means of natural wastage, and a very sharp contraction of jobs as a result of falling demand.

Land Bill runs into difficulties

THE Community Land Bill—the one that provides for the eventual takeover of all development land by local authorities—is beginning to look decidedly unwell. Its companion Bill, providing for the new development land tax that was originally proposed as an integral part of the whole package, has now been postponed: the Government's decision to produce a White Paper on the tax before the summer recess is a strong indication of the difficulty of drafting practical and generally acceptable legislation on this important half of the scheme.

As for the half that has not yet been "withdrawn for further study"—the Community Land Bill itself—an inkling of its possible fate may be discerned from the defensive remarks made by Mr. Gordon Oakes, under-secretary of State at the Department of the Environment, at the end of last week. He told the Commons committee considering the Bill that they might face all-night sittings if they did not make satisfactory progress. The fact of the matter is that the Bill cannot be moved forward rapidly because it is beginning to be seen inside Parliament as one of those impossible legislative monstrosities (like the Capital Transfer Tax) that needs virtual redrafting in committee if it is to have any semblance of credibility at the end of the day.

Wearisome

An incentive to go through this wearisome process may be strongly felt by Labour Ministers who fear the wrath of the Left wing of their Party: every one else is now in a position to appreciate that the Bill cannot possibly have any lasting positive effect on the important matter of development land because (a) the Conservatives have promised to repeal it and (b) it is built on a rotten foundation.

This rotten foundation is the despatch during the present session of the hard-pressed Parliamentary session, in the local authorities can be transformed into quasi-developers by way of the Land Commission being given powers of compul-

Will loss of access to Mozambique ports really hit Rhodesia? Tony Hawkins reports from Salisbury

Africa's real losers from a Kingston-style confrontation

RHODESIA is next month to lose access to its two traditional ports of Beira and Lourenço Marques, a development long sought and long awaited by those applying sanctions against Mr. Ian Smith's government. The new situation is brought about by the June 25 assumption of power by Frelimo in what will then become the former Portuguese territory of Mozambique, where these ports lie. But the end result is certain to be disappointing for those who hope that the consequence will be the economic collapse of Rhodesia.

Among the disappointed will be the Commonwealth Heads of Government who, at their recent meeting in Kingston, Jamaica, undertook to give Mozambique financial support to compensate it for the losses it will suffer from joining the international sanctions against Rhodesia. They argued that the great bulk of Rhodesian foreign trade passes through Mozambique, so that cutting off the routes to Beira and Lourenço Marques could be disastrous for Rhodesia. In fact, however, the strategy mapped out at Kingston suffers from three serious miscalculations.

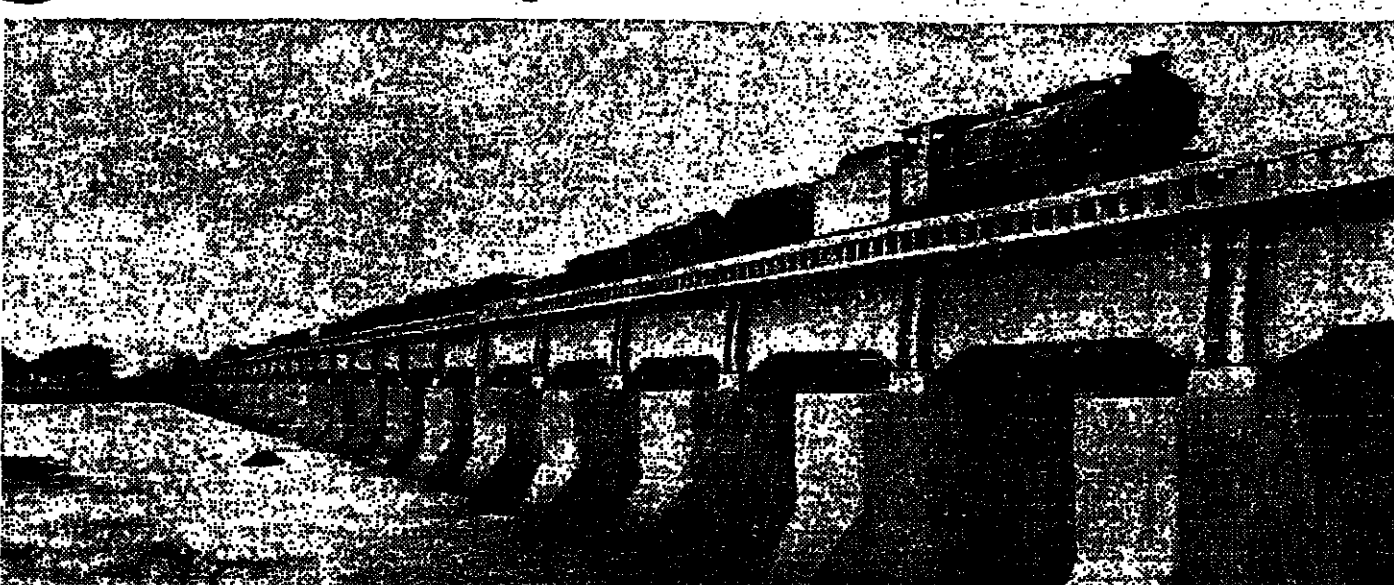
The first is the belief that Rhodesia relies on Mozambique for 80 to 85 per cent. of its export and import traffic. Given the importance of South Africa as a Rhodesian export market—especially for manufactured goods—and as the supplier of an estimated 40 to 50 per cent. of Rhodesia's imports (by value), this figure is clearly an exaggeration.

First direct rail link

Secondly, there is the degree to which Rhodesia has already diversified away from the Mozambique routes, primarily because of congestion and inefficiency on the railways and at the ports. It is reliably estimated here that the volume of Rhodesian traffic using Mozambique has already been halved, partly reflecting the opening late last year of the first direct rail link between Rhodesia and South Africa.

Thirdly, there is the underestimation of the extent of practical transport co-ordination and economic integration that already exists in southern Africa, political differences, sanctions and the Rhodesian-Zimbabwe border closure notwithstanding.

In some respects, this third consideration is the most important. Those who believe that the difficulties that will be encountered by Mozambique (and perhaps Botswana if that country follows suit and denies Rhodesia the use of its railway) can be overcome by conventional economic aid have ignored the mundane problems involved. South Africa and Rhodesia constitute the breadbasket of southern Africa. Botswana, Rhodesia, food, fertilizer, in-



A freight train crosses the Limpopo bridge in Mozambique on the line between Salisbury and Lourenço Marques.

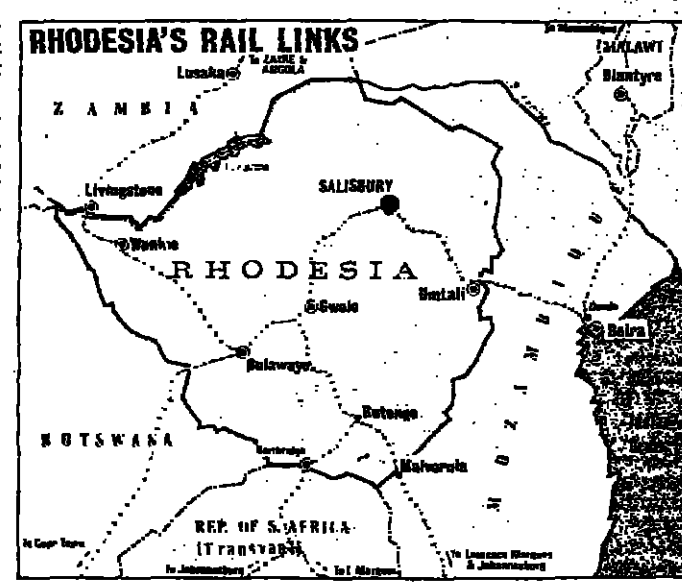
secticides and a host of other Mozambique are more serious goods that reach it either as imports from Rhodesia itself or, very frequently, are brought through Rhodesia and Mozambique from South Africa. The Rhodesia and South Africa point here is that the only rail-way between South Africa and Malawi (and South Africa and Rhodesia are two of Malawi's chief trading partners) runs through Rhodesia and Mozambique. It is not really possible to route this traffic by sea to Beira and on by rail because of the chronic shortage of rolling stock on both Mozambique and Malawi railways. Both systems are using much rolling stock belonging to the Rhodesia and South Africa railways. Furthermore, there is no direct link between the northern and southern Mozambique rail routes so that locomotives and rolling stock can be shifted from one system to the other (or from South Africa itself) only via Rhodesia.

Copper and zinc

But the problems go beyond food alone and have important ramifications for industry, employment, and the balance of payments of the entire region, with the possible exception of South Africa itself. At present, for instance, despite the Zimbabwean border closure, Zaire is sending copper and zinc by rail through Rhodesia to Beira. The one-way railway truck exchange over the Victoria Falls Bridge between Rhodesia and Zambia on most rail systems in the subcontinent means that the trucks used to export Zairean minerals return via Rhodesia with imports picked up at Beira as well as foodstuffs and other items from Rhodesia itself.

If Frelimo closes the border with Rhodesia, Zaire would have to switch her exports to Lobito in Angola, a port with a 100 per cent. surcharge and 100-day delay at present. The implications of such a switch for Zambia, heavily reliant on Lobito for its export and import traffic should not be overlooked.

There are major adverse implications for Malawi, which will find itself denied essential supplies. It relies on imports from Rhodesia—one obvious example being coal—which use the railway through Mozambique. There is no obvious alternative source. The Mozambique coalfield in Mozambique produces coal with too high an ash content for use in thermal power stations or by railway locomotives. Malawi also needs packaging materials from Rhodesia, food, fertilizer, in-



secticides and a host of other Mozambique are more serious goods that reach it either as imports from Rhodesia itself or, very frequently, are brought through Rhodesia and Mozambique from South Africa. The Rhodesia and South Africa point here is that the only rail-way between South Africa and Malawi (and South Africa and Rhodesia are two of Malawi's chief trading partners) runs through Rhodesia and Mozambique. It is not really possible to route this traffic by sea to Beira and on by rail because of the chronic shortage of rolling stock on both Mozambique and Malawi railways. Both systems are using much rolling stock belonging to the Rhodesia and South Africa railways. Furthermore, there is no direct link between the northern and southern Mozambique rail routes so that locomotives and rolling stock can be shifted from one system to the other (or from South Africa itself) only via Rhodesia.

Malawi would also lose its exports to Rhodesia, which include tea and, surprisingly, tobacco. This would bring no hardship to Rhodesia, but would hurt the Malawian balance of payments, as would the substantial increase in Malawi's raw material costs if it had to seek other sources of supply for such essentials as coal.

The adverse implications for

Rhodesia covers 335 miles of Mozambique territory, while that from the port to the South African border covers only 55 miles. Consequently, the share of rail revenue from Rhodesia traffic is very important. Furthermore, the Rhodesian traffic using Lourenço Marques is basically the higher rated kind, although, of course, the port is much more reliant on South African traffic than it is on Rhodesian.

Botswana also uses Lourenço Marques, and the closure would have adverse implications for Northern Botswana and the Selebi-Pitwe copper-nickel mine in particular.

Beira is Rhodesia's traditional and logical port—but its significance has declined drastically since the Lisbon coup a year ago at a time when its handling of Mozambique imports was falling because of the reduction of imports of equipment for Caborra Bassa and the end to the war. It is not a good port at the best of times (it is too shallow and cannot be made deeper) and a banning of Rhodesian—and by implication Zairean and South African traffic—is likely to hasten its demise. Already it is too small for the large vessels and it will suffer from containerisation. It is estimated here that even under normal conditions Rhodesia's use of Beira would have been phased out over the next five or six years because of these factors.

Beira's decline as a port which began 10 years ago when sanctions were first imposed against Rhodesia, will have major consequences for the Mozambique economy as it is the country's second largest urban centre. A Rhodesian ban would probably mean a falling off in the number of vehicles calling at the port and an increase in the sitting-up of berths. Two are already unusable.

A further difficulty is raised by the 50,000 tons of Zambian imports currently piled up at Beira. To some extent, at least, Rhodesian rolling stock is needed to move these through Malawi. Once again the significance of there being no direct bargaining table.

The threatened border closure will embroil three poor States (Malawi, Mozambique and Botswana) in an economic confrontation which they are simply not possible to quantify the adverse economic and social effects in any of the countries concerned, including Rhodesia itself. What can be said is that unless South Africa or Rhodesia off, which is high improbable, to put it mildly, the border closure will bring down the Rhodesian economy. On the contrary, as from its adverse effects on the other economies concerned, it may well further stiffen Beira. To some extent, at least, Rhodesian rolling stock is needed to move these through Malawi. Once again the significance of there being no direct bargaining table.

The threatened border closure will embroil three poor States (Malawi, Mozambique and Botswana) in an economic confrontation which they are simply not possible to quantify the adverse economic and social effects in any of the countries concerned, including Rhodesia itself. What can be said is that unless South Africa or Rhodesia off, which is high improbable, to put it mildly, the border closure will bring down the Rhodesian economy. On the contrary, as from its adverse effects on the other economies concerned, it may well further stiffen Beira. To some extent, at least, Rhodesian rolling stock is needed to move these through Malawi. Once again the significance of there being no direct bargaining table.

MEN AND MATTERS

Lander and pensions' future

"It's going to be a fairly hot seat," acknowledges Max Lander, who at the end of this month takes over as new chairman of the National Association of Pension Funds. Seldom in the association's 51 years can the external problems have seemed more massive, overlaid in recent weeks by declarations from Labour's Left about the desirability of directing pension fund investment.

Lander, 61, is a cheerful extrovert who sees need for great caution in extending funds' role towards either involvement in management or accession to political demands. His elevation represents a considerable break with NAPP's past: he is an associate, rather than an ordinary member and is the first in the former category (outnumbered about three to one by the ordinary members) to become chairman. The "ordinary" NAPP people actually run funds as managers; the "associates" are actuaries, brokers, consultants and so forth, and it was only three years ago that NAPP rules were changed to allow a minority of associates on its ruling council.

Lander, an actuary and joint senior partner of pension consultants Duncan C. Fraser, agrees "tremendous moves" have been made to involve City institutions more in managerial decision-making where companies may be heading for trouble. But he is a sceptic. "I remain to be convinced, you see, that a politician, or a civil servant, or an institutional fund manager knows more about running a company than the company itself," he says. "A very old-fashioned view."

The political angle now

assumes large importance, following the publication of a draft Labour Party document drawn up partly by Anthony Wedgwood Benn talking about insurance and pension funds being "required" to channel minimum proportions of their funds into the National Enterprise Board projects.

"My personal view is quite clear: it would be total opposition," says Lander. He "accepts unreservedly," though, the need for discussion on institutional investment of the sort now being pursued through NEDD. His own view of funds' task is that "spread should be a religion." He believes that even at the height of the property boom, it was rare for any fund to be as much as 20 per cent. invested in property: he is not opposed to "modest mixing," bringing in things like old masters and perhaps gold coins.

At NAPP he succeeds Maurice Haddon-Grant, secretary of Plessey, whose two years in the chair have hardly been uneventful. In that time, there have been three sets of Government proposals designed to regulate the relationship between occupational pension schemes and the State scheme. The latest plan is now enshrined in the Social Security Pensions Bill.

As for the way ahead, Lander reckons NAPP will have to accept eventually increased control of funds, but the important thing is "in the modern world, we've got to speak up if we want to exist."

Swingers

Détente moves forward. It looks as though the Russians are determined to break into the Western music market. In September, Musexpo '75 will be held in Las Vegas, and that is the premier music and record-

Are you really aware how recent property legislation concerns you?

FULLER PEISER have been giving professional property advice to industry and commerce for nearly a century but in these times of continually changing legislation the need for sound advice has never been more important.

FULLER PEISER

Valuers of industrial & commercial property. Agents for the sale, letting and purchase of industrial & commercial property. Investment, finance & development consultants. Rating & compensation surveys. Plant & machinery valuers.

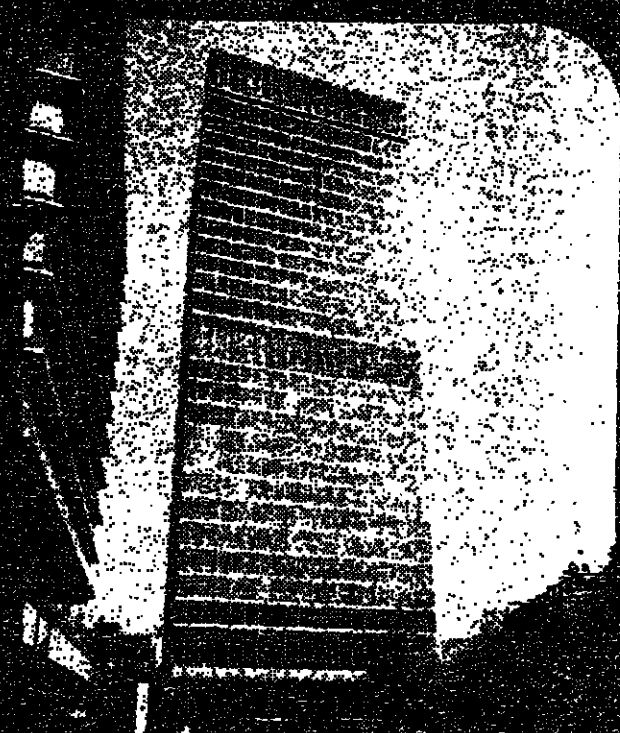
The Real Estate Observer

FINANCIAL TIMES SURVEY

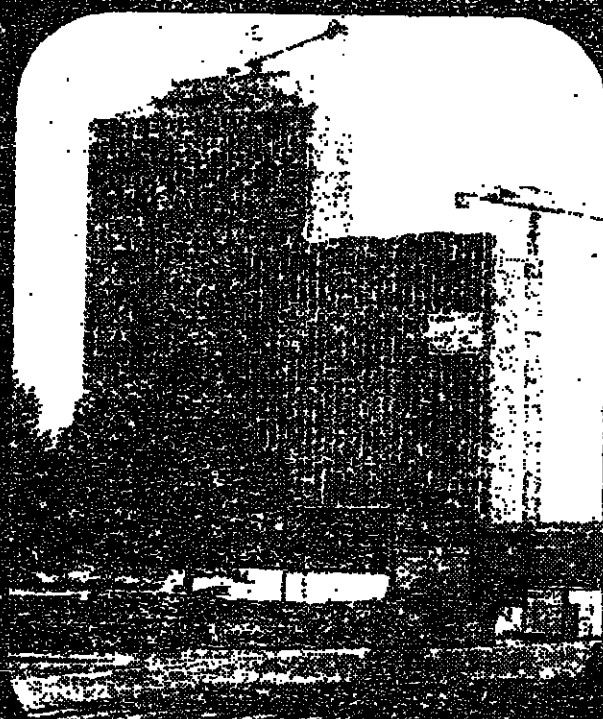
Monday May 19 1975

مكتبة، لا حول

International PROPERTY



United Kingdom



France



Belgium



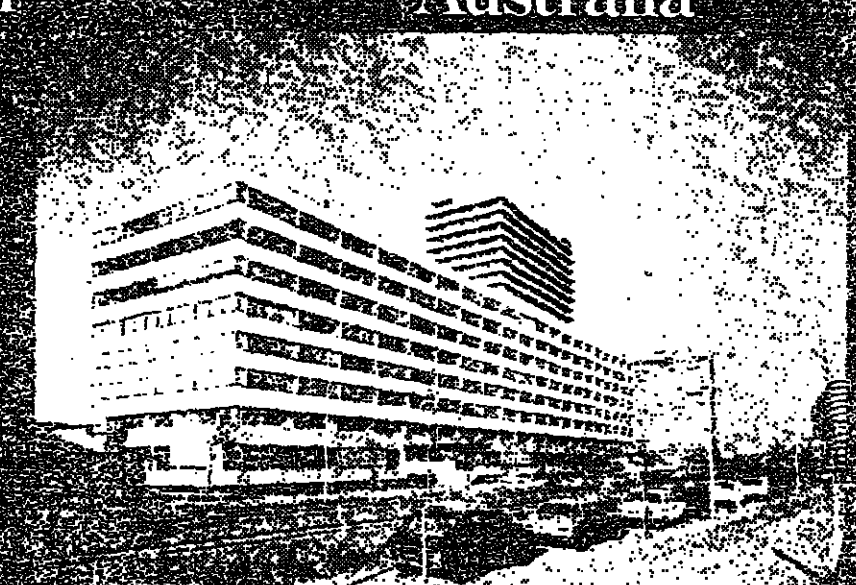
Australia



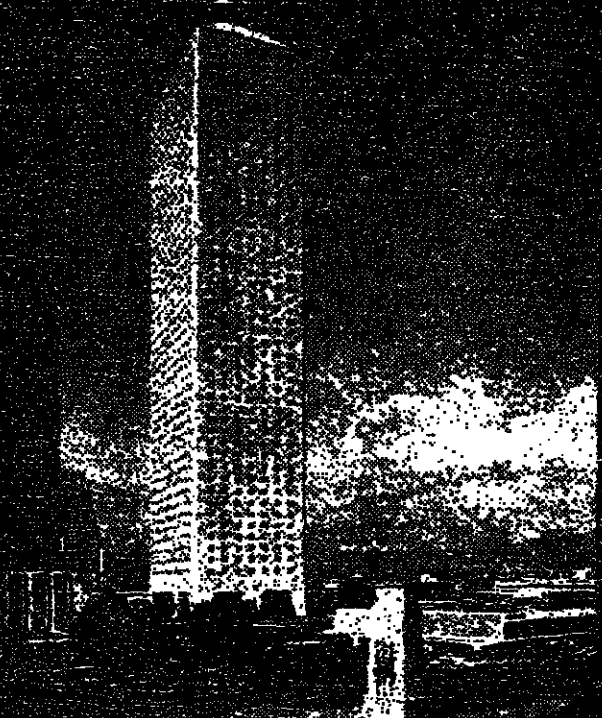
Republic of Ireland



North America



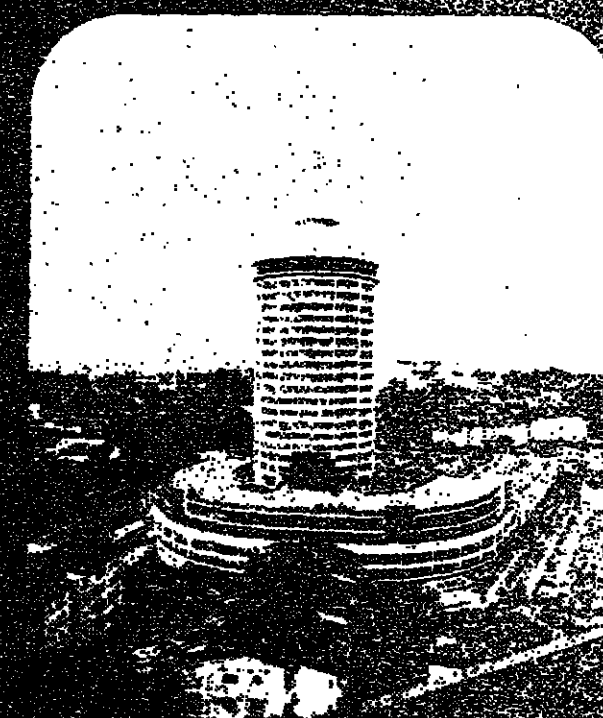
Holland



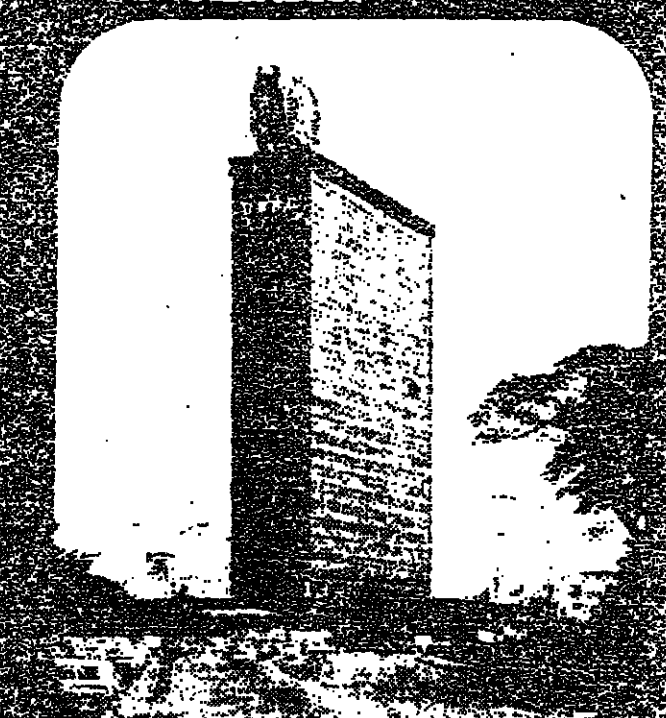
Hong Kong



Germany



Singapore



Malaysia

The International Real Estate Consultants

Europe: London, City & West End, Croydon, Glasgow, Edinburgh, Jersey, Dublin, Brussels, Antwerp, Paris, Rotterdam, Amsterdam, Frankfurt, Hamburg.
Australasia: Sydney, Canberra, Melbourne, Brisbane, Adelaide, Perth. Associated Offices: Christchurch, Auckland.
South East Asia: Hong Kong, Singapore, Kuala Lumpur, Kuching. Middle East: Beirut. USA: New York.



JONES LANG WOOTTON

Chartered Surveyors

Similarities can be detected in the general direction that many of the world's property markets are going, though the boom and its reaction have varied in degree. The effects of changes in monetary policies and interest rates are world-wide.

Investment market

THE INTERNATIONAL property investment scene has changed beyond recognition over the past couple of years. The spring of 1973 was the heyday of the British property expansion on the Continent with the almost daily announcement of new acquisitions in Paris, Brussels and Amsterdam, while on the other side of the Atlantic, the real estate investment trusts (REITs) were enjoying their major period of growth.

The position is very different now: there have been few new British acquisitions on the Continent for more than a year now, apart from a handful of strongly entrenched companies with good local connections. On the other side of the Atlantic, the aftermath of the REIT boom has left many problems still to be cleared up.

The paradox cannot, of course, be taken too far, but there are striking similarities in the general course and direction of many of the major property markets over the past few years, though the heights of the boom and the depths of the subsequent reaction have varied from country to country—and there has been the unforeseen impact of new investors from the Middle East.

The key influences have been the changes in monetary policy and interest rates throughout the world. The sharp rise in interest rates in the autumn of 1973 brought an almost immediate end to the boom which had developed in many countries in the preceding two years. In many cases, there were accompanying moves to tighten credit controls, and there were occasions specifically discriminating against new lending on property and construction projects. The uncertainties of the oil crisis applied a further constraint and led to a general institutional reluctance to buy all their attention to Britain.

new property which in turn led to a general and fairly sharp rise in investment yields—often indicating an underlying decline in values from the peak of a first or more.

This broad outline inevitably masks several major factors, not only because of the variations between countries, but because of the artificial nature of the preceding booms. This applies particularly on the Continent where the British activity was the most important single influence on the office investment markets of France, Belgium and Holland—and to a much lesser extent, Germany—between the middle of 1971 and the autumn of 1973.

The expansion of British property companies and agents on the Continent is well documented, but the key feature is that for much of the period domestic property companies and institutions were effectively "out of the market" for new acquisitions. They were unwilling to pay the prices accepted by the British, which they often regarded as "ridiculously high".

Some of the investment was undoubtedly unsophisticated and showed an insufficient appreciation of the differences in the structure of the investment markets between the U.K. and the Continent, which led to a "talking down" of yields and "talking up" of rents. This, of course, did not prevent the more astute or assiduous companies from making wise acquisitions.

The very dominance of the British influence—in particular the impact it had on yields—made the change all the more significant when this source of demand was removed in late 1973 and early 1974. This was prompted both by the tightening in local monetary conditions and by the sudden end of the property boom in the U.K.—which forced most companies and institutions to devote both the right property to invest in and the right way to

The result was that the investment markets have tended to revert more to their traditional patterns—albeit at a higher yield basis because of the general monetary conditions. In some cases, it is almost misleading to talk of a yield framework as such since an investment market, at least as understood in Britain, has scarcely existed until recently. The return to a domestic rate structure has been accompanied by increasing activity by local funds, particularly since last autumn.

Background

Moreover, as the general financial background has improved and interest rates have fallen, there has been an accompanying revival in British interest. On the development side this is explained by continuing difficulties in the U.K. market and concern over the possible impact of the Community Land Bill, as well as by the difficulty of raising money for new acquisitions.

The normal method of financing for a British developer in 1971-73 was to borrow money locally with the support of a bank guarantee from Britain: since then, some of these guarantees have looked pretty thin because of the problems of the secondary banking sector. So local banks and institutions are much more wary about lending money to any but the most established British companies, while currency doubts rule out other forms of fund raising.

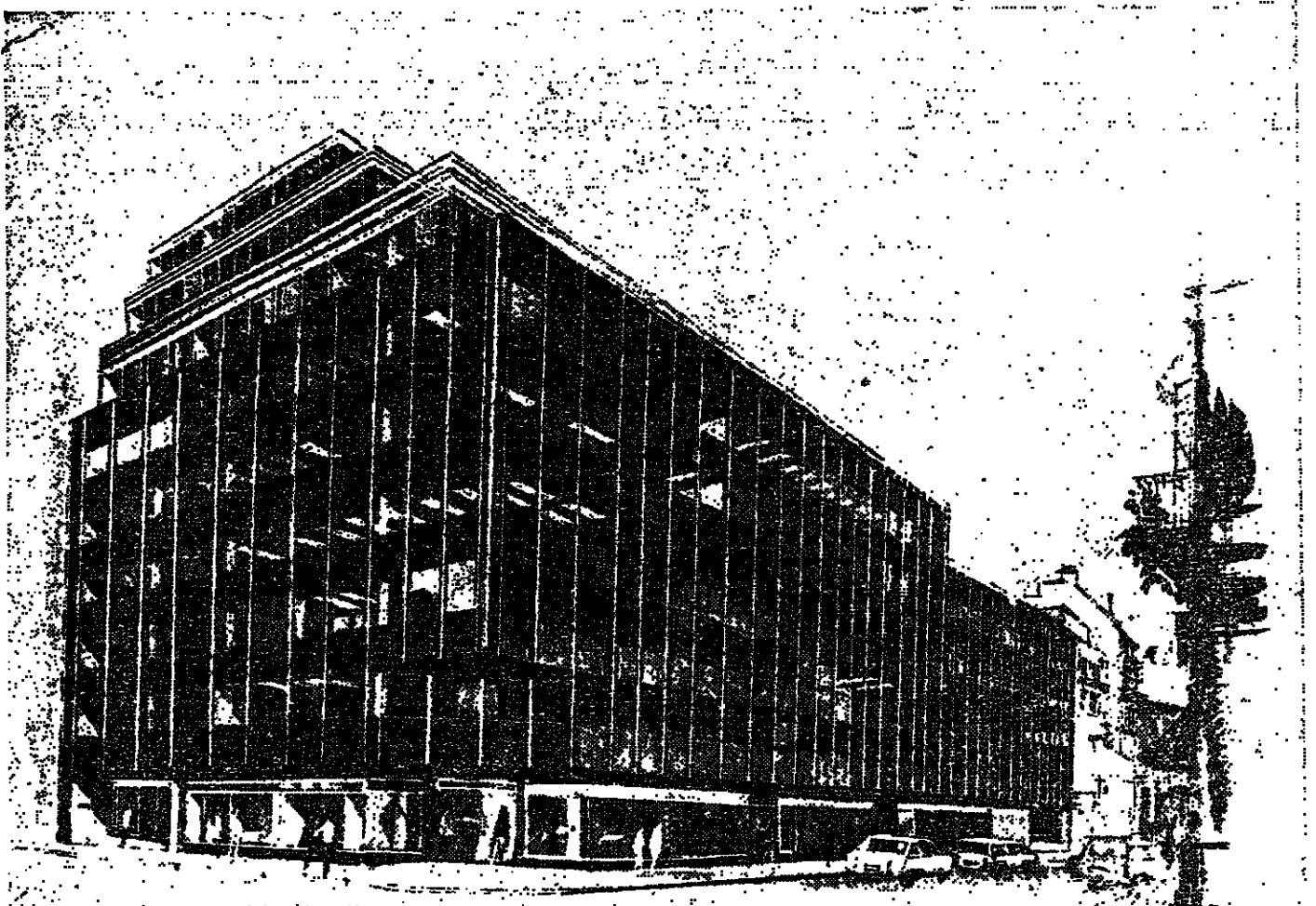
There has been a similar lack of activity among British institutions on the Continent. Even in the boom period, their involvement had been comparatively minor relative to the developers, partly because of greater caution and partly because of problems of finding both the right property to invest in and the right way to

buy it. Among the funds which became involved were the larger ones with most experience of property in the U.K.—for example, insurance companies such as Commercial Union, Sun Alliance and Norwich Union, which often had local subsidiaries receiving premiums there anyway. Among the pension funds investing on the Continent in this period were those of ICI, Unilever, National Westminster Bank and the Coal Board.

The hope was, two years ago, that this would merely be the tip of an iceberg and a much greater involvement would follow. This has not happened partly because of the change in the British property market itself, but also because of the announcement in the budget of March 1974 of the end of the concession which allowed £1m of capital per project to be exported from Britain every year. Although few developers financed their acquisitions to any great extent in this way, several institutions took advantage of the concession either for a part or the whole of their finance.

So the ending of the concession put a sharp brake on this expansion, and it is hard to visualise a revival in British institutional activity abroad until there is an easing in U.K. exchange control regulations, which looks extremely improbable at present, though some funds may arrange back-to-back loans if they can. Indeed one or two of the Property Unit Trusts—set up mainly in 1973 specifically to take advantage of the greater British pension fund interest in Continental property—are still in the market on a small scale for new acquisitions because of their existing back-to-backs.

One or two British pension funds have been buying recently but otherwise one of the few big institutions still in the market on the Continent is



Site on the corner of Rue Blacas and Rue Pastorelli in Nice acquired on behalf of Sunley France by Weatheralls France.

EUPIC, the Dutch registered investment company drawing funds from all over Europe, which is advised on the property side by a British firm of surveyors, Knight Frank and Rutley. This fund has been making acquisitions throughout the last two years.

In the absence of the British, the local investment markets have revived gradually over the last six months or so, and agents notice in particular that more money has become available for investment since January and February. But this does not necessarily mean there is very much activity since many funds seem to be cautious about making a decision, and there is still a gap between the view of the often local purchasers and the possibly British vendor. One agent reports for example, that in Brussels developer clients have been talking in the range of 6½ per cent. to 7 per cent., while potential purchasers have been thinking in terms of 7½ to 8 per

cent. But yields definitely seemed to have stabilised, and edged downwards in some cases, this year, though it is often difficult to talk about range of yields because of the relatively small number of investment deals actually agreed. Moreover, a common feature of the main Continental markets is a shortage of good quality investments in the right locations with acceptable covenant and leasehold features. One agent recently looked, for example, at three or four possible purchases of office investments in the 8th and 16th arrondissements of Paris, but was not able to recommend buying any of them because all involved some complication such as the acquisition of a company or a messy tax situation.

The essential point now, unlike a year ago, is that if an owner wants to sell a good quality property in France, Belgium or the Netherlands, he can do so—provided he is increasingly international attitude of Continental investors. Although Italian and Swiss funds have invested outside their own countries for some time, a noticeable trend over the last few months has been the much greater interest of the big Dutch pension funds and insurance companies in acquiring property in Belgium and France. Certain Dutch institutions have also recently started to invest on a joint-basis in the U.S.—and there has been interest both in the U.S., especially in the South-east, and in Brazil from a few U.K. and French groups as well. The U.S. market is thought by some to offer considerable potential for European investors—particularly the British who are reluctant to expand again at home because of all the new Government controls, and see less scope for the moment on the Continent, though there is inevitably caution in view of the problems of the REITs.

Otherwise, the most interesting development is the

can do so—provided he is increasingly international attitude of Continental investors. Although Italian and Swiss funds have invested outside their own countries for some time, a noticeable trend over the last few months has been the much greater interest of the big Dutch pension funds and insurance companies in acquiring property in Belgium and France. Certain Dutch institutions have also recently started to invest on a joint-basis in the U.S.—and there has been interest both in the U.S., especially in the South-east, and in Brazil from a few U.K. and French groups as well. The U.S. market is thought by some to offer considerable potential for European investors—particularly the British who are reluctant to expand again at home because of all the new Government controls, and see less scope for the moment on the Continent, though there is inevitably caution in view of the problems of the REITs.

The purchasers are almost entirely likely to be local—for example, a number of acquisitions have been agreed recently in Paris by SICOMIS and insurance companies, while in the Netherlands there has been a renewal of interest in small investment purchases by private individuals. The Middle Eastern interest has so far been more talked about than actual—though there has been a fair amount of buying by various Middle Eastern states in Paris, and a few well-publicised deals in London.

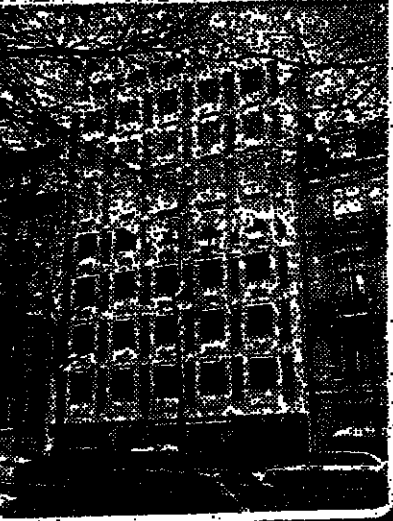
Otherwise, the most interesting development is the

Peter Riddell

International Property

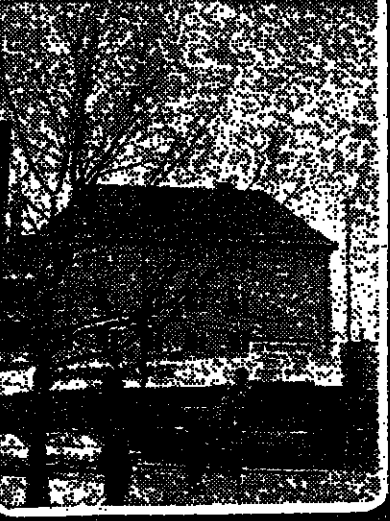
Paris 8E

FRANCE
To Let, 10,750 sq.ft. (1,000m²) new office building in prestige location.



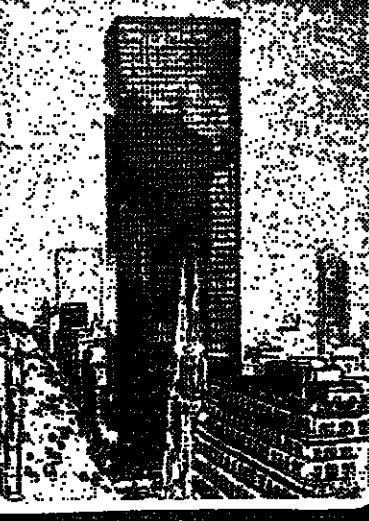
Munich

WEST GERMANY
To Let, 12,380 sq.ft. (1,150m²) offices in new city-centre building.



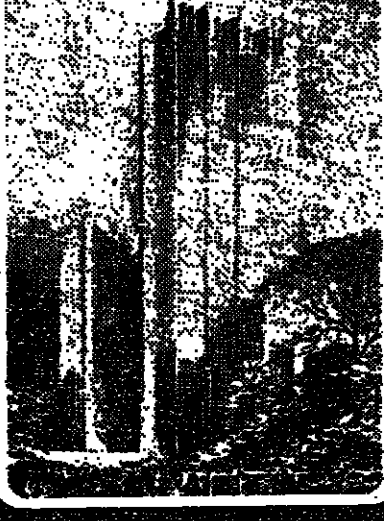
New York U.S.A.

For Sale, Superb apartments in new condominium building (business/residential) on Fifth Avenue.



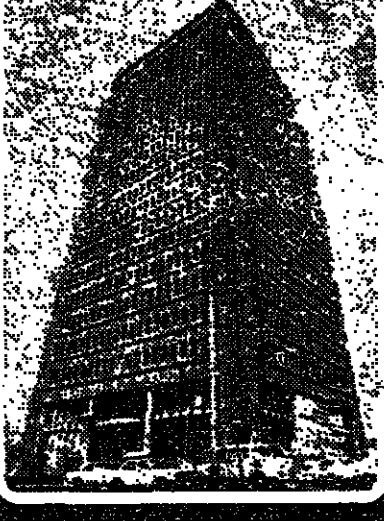
Toronto

CANADA
To Let, two office tower blocks comprising a total 1,268,000 sq.ft. (117,800m²) of prestige offices. Available 1976.



Johannesburg

SOUTH AFRICA
To Let, 60,000 sq.ft. (5,574m²) remaining offices in new tower block. Central location.



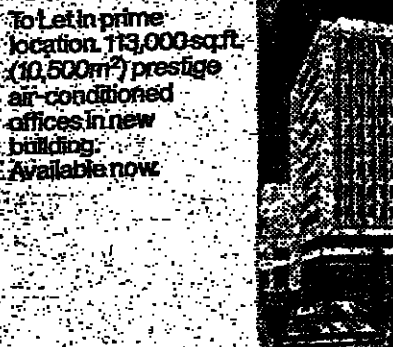
Toronto

CANADA
To Let, now under construction—18 storey office building of 342,000 sq.ft. (31,775m²).



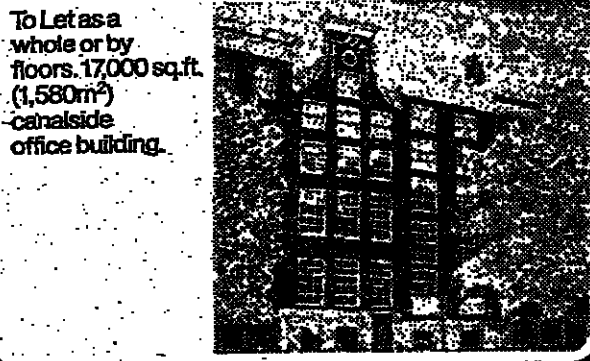
Madrid

SPAIN
To Let in prime location, 113,000 sq.ft. (10,500m²) prestige air-conditioned offices in new building. Available now.



Amsterdam

HOLLAND
To Let as a whole or by floors, 17,000 sq.ft. (1,580m²) canal-side office building.



Richard Ellis, International Property Consultants and Chartered Surveyors

Rhein-Main-Center, Bockenheimer Landstrasse 51-53, 6000 Frankfurt am Main. Tel: 72 07 66

Edificio Iberia Mart, Pedro Teixeira 8, Madrid 20. Tel: 455 35 00

Walker, Richard Ellis, 11th Floor, Nedbank House, Cnr. Albert & Eloff Streets, Johannesburg 2001. Tel: 633 1320

Richard Ellis, Sallmann and Seward, Ninth Floor, 60 Collins Street, Melbourne, Victoria 3000. Tel: 654 3333

In association with A. E. Le Page Ltd., 50 Holly Street, Toronto, Ontario M4S 2E9. Tel: 481 4233

Richard Ellis, Sallmann, Seward & Loh, 20 Ngai Ann Building, Orchard Road, Singapore. Tel: 35-0555

Richard Ellis

While the developers have to a large extent stolen the limelight, their professional advisers, the estate agents, have played an important part in the growth of British property involvement abroad. While Europe has been the main scene recently, there is a growing interest in North America.

Estate agents' role

IN THE WORLD of international property it is the developers and investment institutions that get most of the publicity. Yet behind the scenes, much of the crucial work is done by their professional advisers, in particular the firms of commercial property agents whose activities now span most of the western world.

Although some of these firms have been criticised for pretending to possess local knowledge and expertise which, in fact, they lacked, British agents generally have shown an admirable sense of entrepreneurial flair in setting up activities abroad. The first decisions to do so came in the late 1950s and in the first instance interest was mainly centred on the older Commonwealth Countries, Australia and Canada in particular. It was to these countries, too, that many British property developers were attracted: naturally they had a preference for using the services of a firm known to them in the U.K. if the opportunity arose.

Adventurous

When the U.K. finally woke up to the reality of the Common Market in the early 1960s, some of the more far-sighted agents—notably Jones Lang Wootton, Weatherall Green and Smith and Richard Ellis—took the very considerable risk of setting up continental offices at the same time as the first band of British developers—London and Overseas Property, Heron, Slough Estates and Rothschilds—began to work on continental projects. One point that was not lost on the more adventurous agents was that those who initially established themselves abroad tended to be the ones that maintained a leading position when others later followed. Thus, Weatherall Green and Smith was one of the first into Paris (in 1964) and still has a larger staff there than any of its rivals who arrived later.

Although the number of British agents operating on the Continent grew during the 1960s and the early 1970s, their enterprise and patience was not fully rewarded until the onslaught of the British property developers on Europe started in 1971. In retrospect, with many

parlous financial state and some unlet and maybe unlettable, some of the leading British agents admit that they, too, were caught up in the frenzy to "get into Europe" which gripped developers at the time. They know they should have acted more as a restraining force on some of the "cowboy" British developers who entered the Brussels and the Paris markets without any local knowledge or background on the workings of the development, lettings and investment markets.

As many an institutional investor will admit, there is, however, something comforting about doing the same as everyone else and few agents seemed prepared to take a tough, stringent financial line of the likely viability of new developments. Such considerations are now past history. There has been a little new development started by British or Continental operators in Europe since the oil crisis. Most agents have found themselves more involved in topping-out ceremonies and in finding tenants for new office blocks and industrial space than in advising on new development projects.

The pattern of agents moving ahead of the interest of developers and investors may well be emerging again now, but not in relation to Europe or the Commonwealth countries. Earlier this month, Jones Lang Wootton announced that the New York office which it set up last October has become "fully operational" with the appointment of a former vice-president of the American real estate consultants James D. Landauer as Executive Manager.

In a statement, Mr. Martin Myers, the London partner of J.L.W. responsible for the U.S. venture said: "Already we are involved in negotiations to organise substantial funds for investment in U.S. real estate. Several major British companies are seeking our guidance with respect to their own property holdings in North America. The unique Chartered Surveyor concept has already impressed many American organisations. The firm will now provide advice in the U.S. to multi-national concerns requiring new premises, or with real estate problems of any kind in

all those parts of the world where J.L.W. have offices."

This is certainly a confident statement of policy—and confidence is needed since J.L.W. is the first major British agent to set up an office in the U.S. Its main rivals in providing a world-wide international service, Richard Ellis, will doubtless have given a similar venture careful thought since there are clear signs that British development and investment interest is flowing strongly towards the U.S. and Canada. English Property, which despite its name, has a very large stake in North America, said in its annual report last month that long-term capital had become available once again on an acceptable basis in the U.S. and that the company had raised substantial sums to extend its programme of acquisition and development.

No major British agent can afford to ignore that kind of sentiment especially since the development market in this country has been largely strangled through a combination of economic forces and political dogma. Some agents, however, would jib at the expense of setting up their own U.S. offices. D. E. and J. Levy have for years operated a loose association with the U.S. real estate agents Julien Studley.

For U.K.-based staff to travel backwards and forwards across the Atlantic is not very satisfactory, for obvious reasons. However, many firms of agents rely on U.K.-based staff for some part of their Continental operations.

Australia

As regards overseas operations in general, only two firms Jones Lang Wootton and Richard Ellis offer a really comprehensive international service. Both are active in France, Benelux and Germany as well as Australia, Singapore and Canada and J.L.W. also has offices in New Zealand and Hong Kong. In some cases, particularly in Canada and Australia, they operate in association with a local firm or, as with Richard Ellis in Australia, a local firm and the British firm have joined together.

The other firms which operate

in the Commonwealth countries tend to be among the larger ones. Debenham Tewson and Chinnock and Knight Frank and Rutley are active in Australia and Canada while, Bernard Thorpe has an office in Australia and is currently developing close contacts in the Middle East.

There is a group of firms which have only opened two or three Continental offices and offer additional coverage from London. Knight Frank and Rutley have offices in Paris, Amsterdam and Geneva but also work elsewhere. Weatherall Green and Smith are in Paris, Nice and Frankfurt.

Several firms with more than one Continental office are active in most or all of the more favoured countries. Bernard Thorpe, Healey and Baker, Hillier Parker and John D. Wood fall into this category. Others are primarily associated with a single Continental country: Leavers with Spain, Savills with Holland, Herring Daw with France, Drivers Jonas with Italy and Debenham Tewson and Chinnock with Germany. Hamptons are active in France and Spain.

Associate

Several are primarily associated with Paris: Herring Daw, Michael Laurie, Fuller Peiser and Antony Lipton through its associate Tiffen Lipton.

Too much should not be read into the locations of the offices since strict rules of demarcation are seldom applied. Depending on the client and the project in hand, it is quite possible for the Paris office of one agent to handle business in Germany or vice versa.

The longer established Continental offices are now well-staffed with local people up to and including full-time partners although the rule still seems to be that the senior partner in the office is British. This, of course, is in part no more than sensible business practice but in some cases the need to recruit locally has been speeded up either because of a shortage of British staff capable of speaking, say, German or Dutch, or because of a feeling that the British firms were foreign bodies which should not be

accepted by local developers, owner-occupiers and tenants.

There can be no doubting the permanency of the British agents in the Commonwealth countries. Now, after the hard-won experience of operating on the Continent for some years, it seems that the British are there to stay although some of the weaker members are reported to be pulling out of Paris and Brussels. Since economic and financial considerations are the factors which determine development, the coming U.K. referendum on continued EEC membership will only have an indirect bearing on the activity of British developers in the other member countries. In the longer term it is just possible that a "No" vote would have some effect on the willingness of various EEC countries to grant work permits to British nationals, but so far that seems a distant threat.

A more acute worry is the question of mutual recognition throughout the EEC of professional qualifications since no Continental country has anything equivalent to the training and examination standards of a British chartered surveyor.

John Trafford

An international banking company acquired on a sub-lease this Georgian building in Berkeley Square, last September.

With minor exceptions, there is a world-wide surplus of property to let, both industrial and commercial. The prospect is that the current low level of new development will mean a shortage of accommodation in the near future—and higher rents.

Stagnating rent levels

WITH FEW exceptions there is a world-wide glut of commercial and industrial property to let. As a direct consequence, rent levels are showing a tendency either to stagnate or fall.

Of course, in many countries—France, Holland, Belgium, Germany, and sometimes the U.S. and Australia—the rents obtainable from already let buildings may rise through some form of indexing which links them to the cost of living or the cost of construction. However, indexing does nothing to let empty offices and, as many British developers have discovered on the Continent, it is no guarantee that rents will continue to rise when the lease comes up for review. If there is too much space around, the landlord either has to allow his tenant to stay on at an unattractive rent or face the prospect of a void.

The present situation in the lettings market can be traced back to the rapid rise in economic activity which the western world enjoyed in 1972 and part of 1973. During that time there was an unprecedented boom in building offices, shops and industrial premises and much of that space is now coming on the market and searching around for possible tenants. Demand for new space, on the other hand, has not kept pace with the rosy optimism of many a speculative developer, thanks to continuing inflation, high interest costs, a squeeze on liquidity and a slow-down in economic growth.

Over-supply

The pattern is well illustrated by looking at the volume of office space available around the world at the present time. Nearly 30m. square feet of office space are available in Manhattan, over 5m. in the City of London, 10m. in Holland, 1.2m. in Brussels, 5m. in Paris, 1.5m. in Sydney, 0.6m. in Melbourne. There is heavy over-supply in Stuttgart, Munich and Frankfurt with enough space in the last named city to last (say officials) until 1986.

There are, of course, exceptions to the general trend. Despite a slackening of demand, both land prices and rentals have been rising in Milan and many other Italian cities because insufficient development has been undertaken. Heavy demand, particularly from international companies, has kept demand for offices buoyant, too, in some of the major German cities, particularly Düsseldorf and Hamburg. In North America, Boston stands out as a city where little new space has recently been added and where new offices are much in demand.

The overall stock of available space is only part of the picture, however. Rather more important is the trend in the supply of new space and the trend in demand. If the former is rising while the latter is falling, rent levels tend to decline even if there is little new building in the pipeline. This has been the case in central London and in the Australian cities as well as Paris and Brussels.

Such a situation should not continue indefinitely, however, because the existing space gets taken up and at present little new space is being added. It is the prospect of this market mechanism coming into operation that is the basis for much of the world-wide optimism about the likely upward trend in rent levels.

Optimism for the future does little to sweeten present anguish. New York must surely rank as the world's Number One disaster area in office accommodation. Average rents for prime office blocks are a mere \$8-10 a square foot which completely rules out further building. Only 75 per cent. of the vast \$900m. twin-tower World Trade Center has been let, some of it at \$7.50 a square foot. Fishman Realty and Construction's 1.4m. square foot 44-storey skyscraper in the Avenue of the Americas has stood empty since it was completed in 1974 and the

company has written off the building and three others for a record \$46m.

One 18-storey office block is being converted into flats because as offices it could not be let at rentals above \$4 a square foot and the owners faced a \$500,000 bill to meet the City's new and very tough fire regulations. As residential accommodation, the block may bring in rents of \$12 a square foot.

Environment

Fire regulations is just one of many ways in which local and central governments are making life more difficult for the developer and thus speeding the day when rent levels start to rise again. In North America generally there is a move towards more planning and environmental controls and the same trend is to be found elsewhere.

In London there is what amounts to an effective ban on new offices other than those developed by the Government or the railways. In Brussels commercial developments costing over B.Fr.50m. are temporarily forbidden and no office building is being allowed in the city centre pending a revision of the Town Centre Plan; there is also talk of a capital tax on all new offices in the Brussels area. In Paris, development permits rule out large new office blocks; there is a development tax, a capital tax and a tight system of planning permissions which apply not only to the developer but also to the eventual occupant, whether tenant or owner-occupier.

The Dutch Government is trying to introduce a Selective Investment Regulations Bill which proposes a levy on all building works in the Rijnmond (greater Rotterdam) area and the introduction of building licences for buildings exceeding D.Fl.1m. Throughout the country the Government will retain the right to require a special licence for buildings costing more than D.Fl.3m.

In Italy, a freeze on residential rents was extended to commercial and industrial property last year and security of tenants' safeguards were also introduced. The main effect of this policy was on the lettings market for premises occupied by small businesses which has not had the benefit of commercial market forces except in the case of new accommodation.

Even West Germany, which for many years has taken a more liberal view about planning

CONTINUED ON FACING PAGE

ARTAGEN

Established 1867

International Investors and Developers
28 office buildings in the United Kingdom, Europe and Australia and over 3 million sq. ft. of modern industrial property.

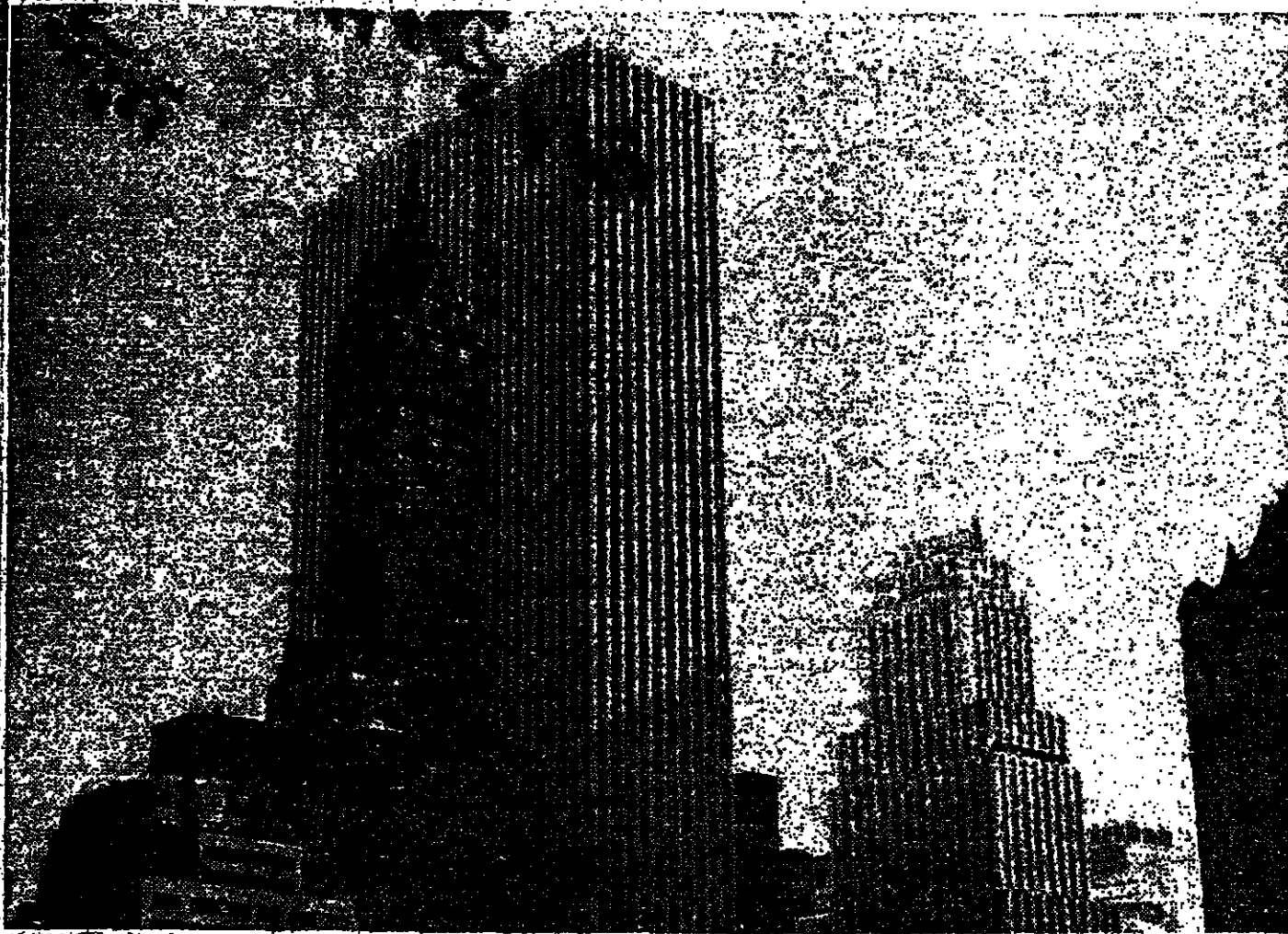
Artagen Properties Limited, 160 Brompton Road London SW3 1HS. Tel: 01-589 3477 Telex: 918956

WINDSOR HOUSE, SURREY.



Stead Investments of Cobham sold this warehouse complex at Malines in Belgium to a Belgian institution for about £1m. in January.

INTERNATIONAL PROPERTY V



A view of the New York skyline from Central Park showing the side of the World Trade Center.

Wild predictions that the oil-rich Arabs were on the point of buying up whole areas of London and Paris some months ago have been scotched by their cautious approach to property purchases. But the injection of money is welcome.

Arab purchases

SOME MONTHS ago, when rumours were rife of Arab interest in the purchase of almost every large building in the most of the capitals of Europe, there was a good deal of speculation about long term Arab intentions towards property. There were even predictions that whole areas of London or Paris might be bought by Arab interests.

Since then a number of factors have combined to produce a more measured assessment of Arab intentions among estate agents and property companies in Europe, while there are also clear signs that Arab investors have never had any intention of overwhelming the property market in any city and have in any case been taking a very cautious line about their purchases.

To begin with, some of the early estimates of the amount of surplus oil money that would be available to fund Arab property purchases in the west were far too high. Inflation, which has pushed up the cost of the imports on which many Arab states rely, has whittled away some of the value of the oil dollars. Equally there has been a growing emphasis on two kinds of development within the Arab world. The first is development within the "surplus countries" themselves—new roads, schools, hospitals, communications and so on. The second, particularly stressed by Kuwait and Saudi Arabia, is development within the wider Arab world, in particular in Syria and Egypt.

This is as true of property as of other kinds of investment and there are a number of British estate agents and others now actively investigating development prospects for a number of prime sites in Cairo, Damascus, Riyadh and elsewhere. Saudi and Kuwaitis appear to be the most interested in this type of investment and many observers believe that the great interest in Cairo forebodes its re-emergence as the national centre of the Middle

East once the present tensions in the area have subsided.

There is also considerable Arab interest in backing the development of new towns, like Suez City, and here again a number of British concerns are assessing possibilities and evaluating projects for Arab clients. It seems clear that Arab investors are increasingly going to favour joint ventures with Western interests in which Arab money can be successfully combined with Western expertise. None of this means that there will be no further Arab investment in property in the West, but it is an essential starting point in any discussion of long-term Arab intentions.

The majority of capital for property investments in the West has come, and is likely to come, from the smaller States like Kuwait, Abu Dhabi and Dubai, and others of the Emirates which have fewer domestic commitments than a country like Saudi Arabia with an enormous development plan to finance. Thus, much of the interest in property has come from the Gulf, either from Government agencies like the Kuwait Investment Office or the Abu Dhabi Investment Board, or from private companies and wealthy private individuals aiming to build up a property portfolio on their own account.

Revenues

In the case of the Government agencies it has recently become very clear that they take very seriously their responsibility for investing their nations' oil revenues for the inevitable day when their oil income starts to decline. Partly for this reason a good deal of secrecy has surrounded many of the deals already undertaken and it is difficult to be at all precise about the value of major Western property now in Arab hands.

The deals that have been most publicised include Kuwait's £91m take-over of St. Martin's Property Corporation, Abu Dhabi's £36m stake in the

Commercial Union building, the sale of the Tour Manhattan in Paris to an unnamed Arab buyer, the sale of an island off Charleston South Carolina to Kuwait and the purchase by the Banque Arabe Internationale d'Investissements (BAII) of a DM20m, 20 per cent stake in an industrial centre in Frankfurt.

There have very probably been other checks, if not on the scale, carried out on behalf of Arab investors by nominees, but it is impossible to know how common this is.

The attractions of western property are several. First, it is a solid asset, and one which can usually be owned outright so that the Arab buyer can control it, unlike, say, a company in which he has only a part share. Second, property is likely to appreciate in value in real terms over the longer term particularly if major European cities continue their policies of restricting new office development. Third, although the yield may be relatively low when compared with short-term bonds and suchlike, over a longer term the yield from property is likely to be fairly reliable and it is the reliability and the security of investments that will be at a premium when the oil runs out.

For these, and other reasons, Arab investors have been closely analysing the property market in many of the western world's largest cities with a view to building up a portfolio of important properties. Most observers believe that the long-term policy of Kuwait, for instance, may be to buy prime property in several major capitals thus spreading the exchange and other risks of which the Arabs are extremely conscious.

Certainly some Arab investors have taken a hard look at opportunities in Canada, Abu Dhabi has been investigating Australia, many investors have shown an interest in Frankfurt, Amsterdam and Rotterdam and

there is a good deal of interest in opportunities in Japan. The U.S. market is not thought so far to have attracted very much Arab capital, partly because of the Middle East situation and partly because of American reticence at selling to Arab buyers.

Referendum

Paris has certainly been the focus of a great deal of Arab interest with the most notable deal being the sale of the Tour Manhattan to an unnamed Arab buyer. London has in the past attracted more attention still, at least in public, with several major deals, but most observers believe that Arab interest in major properties in London is not very strong at the moment. They ascribe this partly to uncertainty about the Common Market referendum, partly to the major deals which have already been signed in the city and, perhaps most important, to growing fears for the strength and stability of the pound.

Many senior property men think that if the economic situation in Britain improves there will be renewed interest in the U.K. market, but as one said: "We are never going to have a situation where the Arabs make the market—it will always be a local market first and the conditions in it will either attract or put off Arab investors." Another factor discouraging Arab investment at the moment is the very fact that this London market is depressed, but there are some signs that it may now be about to improve again and some experts foresee a sharp rise in rents in 18 months when the current restrictions on office development begin to have the same effect on supply and demand as those imposed by Mr. George Brown, as he then was, some years ago.

Meanwhile, there has been considerable Arab interest in the purchase of flats, houses and even country estates in Britain. Although there are no reliable figures for the number of flats in Belgravia and elsewhere which have been bought by private Arab buyers, one senior property man estimates that well over 100 flats have been bought by Arabs in London in the past year.

Arab knowledge of Britain, which springs from the close association between the Gulf and Britain over many years, has certainly been one of the major reasons why so much of the Arab investment has been done through London and it has given a number of the larger British estate agents an opportunity to get very closely involved in Arab investment policy.

In the near future as the links between these concerns and their Arab clients get closer it seems likely that more and more Arab property men will come and train in London and Arab investors may take a seat on the boards of British property companies. For the moment it is a question of identifying and evaluating schemes both within and beyond the Arab world and few estate agents make any secret of the enormous opportunities they see ahead.

John Trafford

David Bell

LONDON

PICCADILLY, W.1

Unique redevelopment comprising offices, showrooms, retail storage and luxury flats. 13,279 sq.ft. (1234 m²). To Let on long lease.

ST. MARY AXE, EC3

Chatsworth House, superb air conditioned offices and showroom. 40,000 sq.ft. (3716 m²). Proposed development at the centre of the shipping, banking and insurance world—an internationally renowned address in the City of London.

HEAD OFFICE
6 Grosvenor Street, London W1X 0AD
01-629 8191 Telex 28169

CONTINENTAL OFFICE
39 Rue de Courcelles, 75008 Paris
2276260/6300 Telex 64614

SCOTTISH OFFICE
26 West Nile Street, Glasgow, G1 2PF
041-221 6039

PROPERTY CONSULTANTS United Kingdom & Overseas

FRANCE

PARIS, La Défense

To Let. New office block remainder of first phase approx 129,000 sq.ft. (11,985 m²). Will divide. Air conditioned, carpeted, car parking.

PARIS, Est Porte de Bagnolet

To Let. Prestige office block approx 490,000 sq.ft. (45,523 m²). First phase of 87,000 sq.ft. (8,083 m²) immediately available, will divide. Air conditioned. Car parking.

HOLLAND

ROTTERDAM

Modern office building extensively renovated to high standard. Centrally located adjoining Coolensingel and Beursplein. Net area 33,270 sq.ft. (3090 m²) approx. To let. Full air conditioning, lifts, parking facilities.

AMSTERDAM

Extensively refurbished office building occupying prominent corner position in the heart of the City. 9,262 sq.ft. (860 m²) approx. Central heating, lift, car parking.

Edward Erdman
A COMPANY

6 GROSVENOR STREET LONDON W1X 0AD 01-629 8191



International Commercial Real Estate

A comprehensive service including:-

- ACQUISITIONS • AUCTIONS • DEVELOPMENT
- INDUSTRIAL • INVESTMENT & FINANCE • LETTINGS
- MANAGEMENT • PORTFOLIO MANAGEMENT
- PROJECT MANAGEMENT • SALE/LEASEBACKS
- SALES • TOWN PLANNING & SURVEY • VALUATION

The Independent Partnership of

Healey & Baker

Established 1820 in London

29 ST. GEORGE STREET, HANOVER SQUARE, LONDON W1A 3BG 01-629 9282
ASSOCIATED OFFICES IN JERSEY, PARIS, BRUSSELS & AMSTERDAM

Healey & Baker International Equity & Law House, P.O. Box No. 254,
La Motte Street, St. Helier, Jersey, Channel Islands Tel. Central 28191
Healey & Baker S.A. 65 Avenue d'Iéna 75116 Paris Tel. 704 74 40
Healey & Baker S.A. 42 Rue du Commerce Brussels 1040 Tel. 513.61 75
Healey & Baker B.V. Jan van Goyenkade 13 Amsterdam Z. Tel. 73 75 55

Rents

CONTINUED FROM PREVIOUS PAGE

restrictions, has begun to tighten up its regulations and has even legislated on the question of building preservation. The Government has recently introduced a limited form of rent control and tenancy protection. The commercial and industrial sector remains, however, free from control.

On top of these legislative controls, which seem to grow apace throughout the western world, a comprehensive range of financial restrictions have been placed on foreign developers in France, Belgium and some provinces of Canada. All these measures tend to slow down the development and strengthen the hand of the local developer who currently has warehouse and factory development in hand and rent levels have moved up in line with rising demand.

The future strength of the lettings market will, of course, be decided by that balance between supply and demand. Much the same pattern is to be found in Belgium where at the world energy crisis has long last the advantages of seen to it that demand has been

lower than expected but that trend is now showing signs of changing. There are some sectors of the commercial and industrial market in Europe and North America that are already looking decidedly healthy and even Australia, one of the prime sufferers from a glut of office development, there is a prediction that office supply and demand will move closely into balance by the end of 1978 and that there will be a healthy lettings market again in operation by 1977.

In Europe, one of the brightest areas at present is the industrial market in Holland, now well established as the gateway to the Common Market. A large volume of new development is in hand and rent levels are rising.

Much the same pattern is to be found in Belgium where at the world energy crisis has long last the advantages of rented industrial accommoda-

tion is coming to be appreciated by Belgian companies as well as international concerns. Germany, in fact, remains one of the few western countries where the market for rented industrial space is still rather patchy and liable to wide variations.

The recent bout of inflation, the energy crisis and the resulting squeeze on corporate liquidity can at least be said to have had one good effect. It has awakened many more companies, particularly European ones, to the benefits of renting rather than owning commercial and industrial buildings and so using the company's limited financial resources in more directly productive areas. In a very real sense, the traumas of recent months may have made the lettings market come of age in countries where it might otherwise have taken years to develop.

Has inflation
changed your values?

If so,
what is your property
worth today?



Fluctuations over recent years highlight the need
for frequent and regular professional advice.
Without this, you are not easily able to establish
a true return on capital employed.

Don't guess.

ASK THE PROFESSIONALS AT

JOHN D. WOOD

23 Berkeley Square London W1X 6AL
Telephone 01-629 9050 Telex 31243 (Ref. VAEW)

As elsewhere on the Continent, development
of property in France is somewhat different from
the British pattern. The incursion of U.K. interests
has for this reason from time to time encountered problems.

ALTHOUGH the property industry was not mentioned by President Giscard when he announced his Frs.15bn. refractionary package last month, there can be little doubt that it will benefit from the measures. Spending Frs.4.2bn. on telephone equipment and lending large sums to the electricity, coalmining and railway industries is bound to have some spin-off; so, too, is the Frs. 240m. in regional development aid which will boost industrial expansion.

If one adds to the list the recent frequent reductions in interest rates and the strenuous efforts being made by the Government to woo foreign investors to France, the picture becomes a little rosier.

To-day the atmosphere among bankers, agents and developers is one of cautious optimism. There are exceptions, of course, particularly among some of the more foolhardy British developers who remain anxious to dispose of their French property portfolios.

The optimism is tinged with apprehension that the refractionary measures may be slow to percolate into demand for more offices, shops, warehouses and factories. The liquidity squeeze which so many companies, particularly expanding ones, face could well mean that spending on new commercial space is postponed to the last possible moment. Nevertheless there is a strong feeling that the worst of the slump in property is now past and that new development, lettings and investment activity can be expected to pick up.

Commitment

Underlying the optimism is one factor which contrasts starkly with the situation in the U.K. While many French property men complain that the Government changes its mind far too often on economic matters and so makes property development (a long-term economic commitment) unnecessarily risky, most people agree that the Government is not deliberately setting out to ruin the industry nor hamper the growth of the sector.

Whatever the outlook, there are still plenty of problems. A recent study by l'Institut d'Amenagement et d'Urbanisme

de la Région Parisienne estimates that there are at present 500,000 square metres (5m. square feet) of empty office space in the Paris region. 73 per cent of it in the suburbs. Within ten months a further 600,000 square metres will be added. Average annual take-up is around 750,000 to 850,000 square metres so it looks as though the current glut is going to remain for another year or 18 months.

Outside the Paris region a further 500,000 square metres of office space will be built in the next three years and another 700,000 square metres in the following two so that by 1981 the provinces will have an additional stock of 1.2m. square metres costing at present day prices Frs.3bn. (approx. £300m.) to build.

These figures, although not precisely comparable, do at least underline the fundamental problem facing the authorities—the overwhelming attraction of Paris as a business centre. Much time, money and effort has been spent on enticing unwilling French companies to relocate in the provinces, including investment incentives applicable to provincial development and tough planning permits required in the Paris region not only for the developer but also for the eventual occupant of a new building.

Over the years this battery of measures has become more complex and more complete. Yet they were insufficient to stem the rapid rise in the interest of British developers which started in 1971 and rose to a peak in 1972 and early 1973. The interest was generated by the apparently much higher yields available on property development in France and on the fact that the lettings market (as opposed to the market for owner-occupied premises) was still in its infancy and apparently offered scope for companies experienced in the field. Only too late did some British operators come to realise that French law allows a tenant to terminate a lease every three years if he feels that the rent which is indexed, has climbed above market levels.

Most of the initial interest by British developers centred around the Paris region and

many of the larger developers moved in on the French market using short-term finance obtained in France or from the Eurocurrency market. In many cases French construction companies and other promoters took advantage of this interest and sold planned or uncompleted schemes to the British with evident satisfaction. Other British developers moved in with little or no local knowledge and started their own developments from scratch.

The result of this frenetic activity is much in evidence to-day. A large proportion of the new Paris region office space was built on spec rather than for a specific owner-occupier as had been traditional French practice. When the oil crisis struck, demand fell along with economic growth and earlier projections were seen to be over-optimistic.

Conservative

This switch from owner-occupied space was a trend even before the British developer appeared on the scene but in the past two years the proportion has increased markedly. One

British agent, Tiffen Lipton, now puts the ratio at 80:20 between rented and owned new office space in the Paris region compared with 20:80 as recently as 1969. French sources, however, tend to be rather more conservative suggesting that rented is no more than 70 per cent of new office space.

It would be wrong to attribute the trend solely to the British. The liquidity squeeze which has gripped most French companies has favoured rented accommodation as one means of employing a higher proportion of available funds in the directly productive areas of the business.

The economic slowdown, coinciding with the arrival of much new commercial space on the market, has had an inevitably depressing effect both on the lettings market and on the attractions of property as a form of investment for institutions and others who do not intend to occupy the buildings themselves.

Herring Daw, one of the British agents active in France, sees the outlook for 1975 as substantially better than that for 1974. It points out that the toughening of the agreement

system (planning permissions) possible to obtain long-term finance on the British model has meant an almost too late, some developers have recognised that the availability of long-term finance which would allow developers to retain their properties was a phenomenon that lasted a short 18 months period in 1972 and 1973. At present, with lower interest rates, continuing inflation and the traditional French not available. The alternative for property investment, is to find a local or foreign buyer. There are signs that some foreign investors, particularly the Dutch, insurance companies, may become keen buyers of French commercial property alongside the French institutions. But with liquidity problems at home, not every British developer can afford to wait for such interest to mature. One recent example came in the form of a British developer in France. In March the ICF Pension Fund paid £1.5m. for the entire French property portfolio of English and Continental which had a gross value of around £20m. but with substantial losses outstanding primarily from the Credit Lyonnais.

Institutional

In general, the pattern is one of French institutional buyers and occasionally an aspiring owner-occupier bidding their time and picking up prime properties at attractive prices. It remains a very much a buyer's market with investors still showing themselves in no hurry to conclude deals.

The current climate in the investment market has certainly not helped British developer who originally term and is now finding it im-

John Trafford

Falling interest rates have
led to a slight upturn in property
activity, but the hectic time of 1972/7 seems
unlikely to return in the near future.
The impact of the British.

Netherlands

THE DUTCH property market is beginning to show signs of a "cover" in that exchange rate as yet hesitant recovery after the rather depressed situation of last year: particularly when compared with the hectic activity in the previous two years which was mainly caused by the interest from the British.

Several estate agents have said recently that an encouraging development has been the clear decline of international interest rates making it somewhat cheaper for developers to attract sufficient funds for financing. On the other hand, some observers feel that the decline is only temporary and that interest rates may be expected to move up again later this year if the forecast economic upturn comes.

And for the moment, short-term bank deposits in Holland have fallen considerably to around 5 per cent. in the past half year while long-term deposits have gone down to just under 10 per cent. Commenting on this development, one of the leading British agents, Knight Frank and Rutley said that as a result of the lower rates, there had been new activity on the part of the major insurance companies, pension funds and investment companies who had considered interest earnings an important source of income in the past. The net return (inflation-indexed) of real estate, which the company puts at between 8 and 10 per cent. net, has generally become more attractive and this is not merely wishful thinking.

Estate agents also point to the added attraction of the strength of the Dutch guilder. This, a British agent, said pro-

vided investors with a "double cover" in that exchange rate as yet hesitant recovery after the rather depressed situation of last year: particularly when compared with the hectic activity in the previous two years which was mainly caused by the interest from the British.

After the setbacks for the Dutch market last year—the economic recession, which is still continuing, and the major decline in British interest partly due to domestic problems in the U.K.—any real recovery here will be slow. Savills, another British agent, said in its "Spring report" of the Dutch market that as a result of the real estate decline in general, many financial institutions and banks would think twice before putting money into property projects again. The report, published in Amsterdam last month, said that a contributing factor had been that many respectable investors had been tempted to take financial risks in their efforts to secure easy profits in real estate, a market of which they were not familiar.

Property circles said that as fast as British companies' efforts to raise money on the Dutch domestic market were concerned, Dutch financial institutions usually want not only guarantees from parent companies in the U.K. but also from clearing banks there. They add that there is a trend apparently to circumvent the dollar premium on sterling transfer for investment abroad by using the so-called back-to-back loans system. This system basically means that funds are deposited with banks in the U.K. whose affiliates in Holland can then supply equal size funds over here.

In a recent article, Dr. C. van Zadelhoff, a leading Amsterdam-based property dealer said of the British involvement in

Holland that the speculative groups were the first to disappear from the scene. They were followed later by a number of medium-size companies who did not have sufficient financial flexibility to complete planned projects.

However, Dr. Van Zadelhoff warns in *Het Financieel Dagblad* of any exaggerated pessimism. He said: "Although British transactions have been reversed and assets have been sold to a total of several hundreds of millions of guilders, the British presence on the Dutch commercial property market is still a relatively important factor."

A survey of the past year by the authoritative Dutch real estate magazine *Vastgoedmarkt* said that despite the energy crisis and the more pronounced recession as a result, the 1974 letting market for commercial buildings had picked up sharply from the previous year, notably in the second half. It said that government and semi-government bodies had been the most active on the market last year.

The magazine estimated that by January, 1975, there was a total of 1m. square metres of office space completed or under construction and available for letting. Amsterdam accounted for about 35 per cent. of the total while Rotterdam represented 16.5 per cent. and The Hague 11 per cent. During 1974, a total of 300,000 square metres of office space was let. 110,000 square metres in Amsterdam, nearly 60,000 square metres in The Hague and over 40,000 square metres in Rotterdam. In all, office lettings were 50 per cent. up on the 1973 level.

Vastgoedmarkt estimates the overall foreign involvement in the Dutch commercial property market at more than Fl.100m. (£17.5m.).

In the past year, a number of Dutch institutions have stepped up their efforts to invest more in neighbouring countries in particular. This was not only because they could not find enough alternatives in the relatively small home market, but it was also in line with their general policy of spreading risks across an international spread. The companies include several important pension funds such as *Financiering* (Unilever), *Shell* and *Philips*. Rising Government restrictions is one of the other factors behind the trend and so are the high building and maintenance costs.

Saturation

Non-institutional investors such as *Blauwhoe* (part of Pakhoed) and *Westland-Amro* have been active in a number of countries and *Blauwhoe* has just moved in the U.S. in a grand manner through the *Hexagon Company*. The Dutch building construction companies, too, have become increasingly active outside Holland, and will continue to do so, chiefly as a result of the saturation of the domestic market.

The outlook for Dutch property remains altogether uncertain, however, in line with the development of the economic situation. It remains to be seen what the effects will be of recently announced Government measures to stimulate the building industry by an effort to avoid serious unemployment in the sector. Apart from helping new projects on the ground, the Government is also aiming to stimulate renovation of existing housing.

The fall in interest rates is clearly a positive development and in Holland, too, a modest economic recovery is expected towards the end of the year. The Selective Investment Regulations Act, which was once dreaded by the property business, is now expected to come into effect within the next two months or so. The Bill, which aims to switch investments away from the crowded and industrialised west of the country, has been severely watered down by Parliament, however, against the background of rising unemployment. The regulations will now mainly cover the Rotterdam (Rijnmond) area, although their scope could be widened at a later stage. Finally, there has some points of preference for the tourism sector. As a regulated industry with a significant lack of companies that in size compete on a European scale, it is a sector where new building has fallen away very sharply. The vital problem for tourism is that of over supply and the famous Spanish coasts are littered with uncompleted hotels that in some cases will probably never be finished.

Although certain prestige projects, which reflect the Government's policy of putting more emphasis on the quality end of the market, have not so far been too seriously affected there is no doubt that villa and apartment sales in general have been badly hit. From the British point of view the drop in the value of sterling and the cost of the property dollar premium have naturally made the Spanish market less attractive but other major purchasers, such as the Germans, French, Scandinavians and Americans are making far fewer inquiries this year. Many developers are now viewing the future with more caution and it is particularly in the tourism

Many developers now view
the future with more caution than
at any time since the tourist boom
exploded in the late 1950's.

Spain

THE GENERAL downturn in Western economic activity during the past 12 months has predictably had its effect on the Spanish property market. Although the Spanish economy has been least seriously affected, at least in sheer growth terms, than most of its principal trading partners the relative tightness of money combined with the increased caution shown by most of the country's leading companies has served to put a damper on prospects for this year in the commercial, industrial and private building sectors.

For the past 15 years Spain has almost become used to enjoying an annual real growth rate of between 7 and 8 per cent. Last year's figure of just over 5 per cent. was a relative disappointment and this year's projection of around 3 per cent. is a cause of serious concern. The construction industry has been among the first to feel the chill. Far more caution and it is particularly in the tourism

sector where new building has fallen away very sharply. The vital problem for tourism is that of over supply and the famous Spanish coasts are littered with uncompleted hotels that in some cases will probably never be finished.

Although certain prestige projects, which reflect the Government's policy of putting more emphasis on the quality end of the market, have not so far been too seriously affected there is no doubt that villa and apartment sales in general have been badly hit. From the British point of view the drop in the value of sterling and the cost of the property dollar premium have naturally made the Spanish market less attractive but other major purchasers, such as the Germans, French, Scandinavians and Americans are making far fewer inquiries this year. Many developers are now viewing the future with more caution and it is particularly in the tourism

sector where new building has fallen away very sharply. The vital problem for tourism is that of over supply and the famous Spanish coasts are littered with uncompleted hotels that in some cases will probably never be finished.

Office and commercial building tends to obey rather different laws of supply and demand, although naturally it has some points of preference for the tourism sector. As a regulated industry with a significant lack of companies that in size compete on a European scale, it is a sector where new building has fallen away very sharply. The vital problem for tourism is that of over supply and the famous Spanish coasts are littered with uncompleted hotels that in some cases will probably never be finished.

Continued on
Facing Page

If you need advice on property
outside London, reading this ad could
save you a lot of travelling.

Today, more than ever before the need for
sound property advice is paramount.

Local knowledge of market conditions
forms the basis of any property decision. Such
knowledge comes only from a high degree of
efficiency and experience. Which is where
a network of 25 offices in Great Britain and
four in Europe, built up selectively over more

than fifty years plays a large part.

At Bernard Thorpe and Partners we
offer a wide ranging service in property
that's there when you need it...where you
need it.

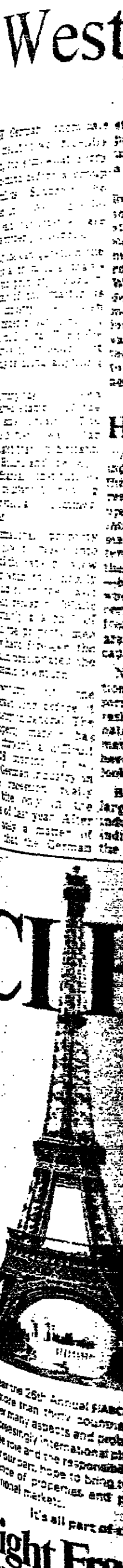
Bernard Thorpe & Partners,
1 Buckingham Palace Rd, London SW1W 0QD.
Telephone 01-834 6890.

**BERNARD THORPE
& PARTNERS**

Offices in Abergavenny, Amsterdam, Antwerp, Bath, Birmingham, Bournemouth, Brighton, Brussels,
Chester, Edinburgh, Glasgow, Hereford, Hexham, Leeds, London, Malvern, Manchester, Monmouth, Middlesbrough,
Newcastle upon Tyne, Oxford, Paris, Stow-on-the-Wold, Tunbridge Wells, Wetherby, Worcester, Winchester, York.

John D. Wood

Associated in... **PARIS**
& principal cities in Europe
TELEX 66762 (SEXTANT MCH-R)



INTERNATIONAL PROPERTY VIII

The depressing situation in the U.S. market continues with no sign that the bottom has been reached. Caution will be the hallmark of any future development

American blues

FOR THE property sector—housing, construction and commercial real estate alike—struggling out of the recession has been like trying to get out of quick sand. They continue to slip lower and lower, and try as they might, they just cannot seem to find a firm bottom. As the results for each quarter come in, they hope that the next one will be better, and for the past year and a half at least, have been invariably disappointed.

Although the first quarter profit figures for many sectors this year were down from last, and the drop was expected, housing for example was a big loser, as it has been since 1973 when mortgage money began to get tight. According to a survey published by Business Week magazine, profits in housing were off 55 per cent. in the first quarter, from the comparable period last year, and last year's figures were considered depressing at best.

Recovery

Interest rates have dropped, but mortgage rates have been slow to follow. This has slowed recovery prospects in housing. Monthly preliminary figures for total private and public housing starts show an upturn for March over all, and the seasonally adjusted annual rate for single unit private housing starts rose to 757,000 units in March from January's 739,000.

The number of starts for two or more units, however, faltered after a firmer start in January, dropping from 260,000 to 223,000, at a seasonally adjusted annual rate. The annual rate for this group in 1973 was 1,047,500 and in 1974 was 449,700.

Construction, too, was still drifting lower in the first quarter. January and February were the industry's nadir. The March outlays, which ran at an annual rate of \$125.8bn., were more or less flat in comparison. When judged against last year's figures, however, the March totals were \$10bn. less. Take out price increases, the picture

deteriorates further, with real volume 17 per cent. below the same month last year, for the annual rate. There were some signs of strength in new contract awards, but those too were 15 per cent. below last year. Plans for a lot of non-residential construction were being dropped.

With bank loans of \$10-\$12bn., the Real Estate Investment Trusts (REITs) are an influential factor in the property markets, and their prospects have not been encouraging either. Recent events have made recovery seem a long term, not a near term, possibility. Some forecasts have suggested that REITs, especially those heavily invested in the troubled resort-area condominiums and urban office buildings—and there are a goodly number of these—may take as long as five to ten years to put their portfolios back on a sound earnings basis.

Chase Manhattan Mortgage and Realty Trust, the nation's largest REIT with a loan portfolio of about \$1bn. must have seen this as a possible, if unpleasant possibility when it presented a refinancing proposal to its 41 creditor banks. The Trust, which is managed by Chase Manhattan Bank, proposed a repayment schedule for loans which it would not be able to keep current, and these repayments were to be made out of earnings. The payments began in 1983 and were to be continued for five years. That must be a gloomy prospect for the lenders, most of whom are looking forward to wiping the REIT loans off their books and forgetting the entire sad affair.

One major concern is that as a result of the REIT debacle banks will be reluctant about another major commitment to the real estate industry. This, it is feared, may further delay recoveries in construction and housing markets.

As the recession has separated the men from the boys, vacant retail outlets have become markers for those who have fallen by the wayside. Many of the large retail chains have been hurt by lower margins, less con-

sumer spending and the decline in consumer credit. There have been some dramatic shake-outs and for some vacant stores go begging.

Among the recent casualties is the McCrory Corporation, which is planning to close most of its 17 Klein department stores, plus 160 variety stores and five warehouses. The Rapid American Corporation owns 65 per cent of McCrory stock. For the stores with good locations there is the hope that one of the more successful chains will take over the abandoned location. For stores with undesirable spots—and for many retail chains there are more undesirable than ideal locations—the chain has a real problem.

For some of its sites, McCrory has been lucky. Korvette's, a chain operated by Arlen Realty and Development Corporation, will take over six of the S. Klein stores. This will add more than 1m. square feet of retail space to the Korvette operation, and has been described as the largest single expansion by one retailer in the New York area in many years.

Supermarkets

Another retailer with problems is the W. T. Grant Company which suffered a \$175m. loss last year. The company has implemented a plan to close 280 stores in its nationwide operation over a two year period ending next January. Both S. S. Kresge and J. C. Penny are planning to take over some, but not by any means all of the Grant sites. In some areas this has merely added space to over-built markets.

The combination of high and still rising construction costs (in spite of the recession) and the favourable terms most of the troubled retailers are willing to offer in order to unload these properties, make it much cheaper to lease these stores than to build a new one, at least over the short-term.

Another solution is to buy an empty building from an owner who is anxious to sell. Then, with a long-term lease in hand, resell the site at a profit, leasing it back from the new owner.

For many tenants, and property owners, including the large retail chains and the well-known supermarket operations such as the Great Atlantic and Pacific Tea Company (A. and P.) there is a new shift afoot for prime spots. Many inner-city locations have long been trouble spots, especially in areas where the down-town areas have deteriorated, and the stores have followed the exodus of people to the suburbs. Now, however, suburban shopping centres are beginning to go through a similar shakeout.

Instead of the ground level shopping centres are finding it difficult to compete in some thousands of square feet, often comprising a confusing array of disjointed small and large stores rambling on and on, retailers are turning to shopping malls. These are often two or three storey structures. Many are enclosed and include underground parking facilities. Others, like their predecessors, are surrounded by acres of tarmac. The arrangement often places two major retailers at either end of the complex, with smaller shops in between. Older

With a virtual strike of capital reflecting lack of confidence in the Government commercial prospects remain poor. However, the worst is probably over for the property industry

Australia

ALTHOUGH THERE is still a lot of office space around the capitals, and although there is little new industrial capital expansion taking place, it is now clear that the worst is over for the property owners and developers in Australia. It is now simply a matter of survival for the next 18 months to two years.

There have been a number of factors at work to bring about this change. For a start, the Government which brought the building industry and the property business into a state of near catastrophe two years ago is softening in its attitudes as it is softening in its economic realities overtake undisciplined idealism.

For a start, the attitude on foreign investment (which was brought to a standstill in 1973 and which Government actively discouraged) has given way to a virtual open door situation once more. Indeed, the reasons—were lifted and sites tied up for two or three years at huge cost to developers are

the rate of almost \$10m. a year. Building permits ran out, and even with all its space-rented new plots would have to be at current rates (major new tenants pay \$7.50 a square foot) stopped new projects, so has it would still lose money.

According to one estimate, the only concern now is to many of the new buildings in consolidation funds and survive. New York are not earning enough to make their mortgage payments. People feel that rents have not yet reached their nadir, and costs unfortunately have not yet reached their peak. This leaves a lot of landlords flailing around trying to keep their heads out of the mire. The stronger firms will survive, and the weaker ones will not.

One observer suggests that many of the firms got into trouble by not balancing their expenditures with their incomes. It is a simple principle, but now the lesson is being learned the hard way. Government can be seen as an honest one. It is this lack of confidence which is holding back the commercial site developers and the homebuilders.

Indeed, it seems an extraordinary state of affairs when one can see an under-supply situation arising in two years, millions of dollars being pumped into the home market at Government insistence, and the building industry as one of its worst depressions of modern times.

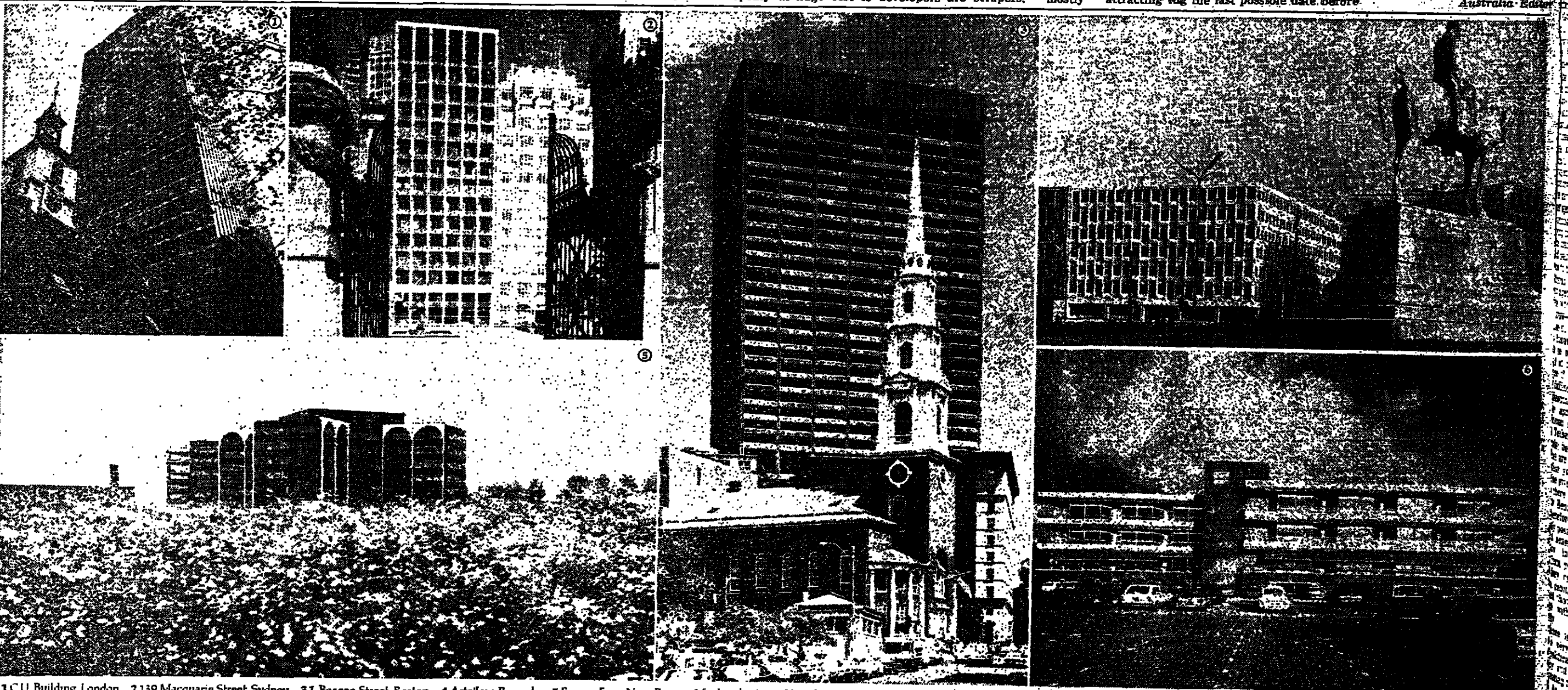
Existing

But such it is. Seventy-three per cent of the new industry for homes has been spent in buying existing houses, not in building new ones where delays and cost escalations of up to 30 per cent. can be experienced.

Funds for commercial and industrial development from overseas dried up long ago and in spite of the new policy, show no signs of returning. As for the local sources—life offices superannuation funds and the institutions generally—they have become scarce and will undoubtedly get scarcer now that the Federal Government is entering the general insurance business, and through other diversions, making the insurance areas less and less attractive as savings sources.

And, with the property crashes of the last year still fresh in the minds of the supported by property men around the country, one would hope to see some new boom beginning in the business which the Government continues to have a low-key relationship that, on the one hand says this, on the other says that, and ultimately gets nowhere at all.

Michael Southern
Australia Editor



1 CU Building, London 2 139 Macquarie Street, Sydney 3 1 Beacon Street, Boston 4 Arts/Lux, Brussels 5 France-Evry, Near Paris 6 St. Jacobsstraat, Utrecht

A COMPANY'S ACHIEVEMENTS ARE THE TRUE MEASURE OF ITS SKILL.

Commercial Union Properties Ltd. is a property development and management company. In cities throughout the world stand schemes which the company has created by providing a combination of professional



specialist services. Commercial Union Properties' services range across the spectrum of the property world providing the facility required for each project. For a brochure about the activities of the company write to:

Commercial Union Properties Limited, St. Helens, 1 Undershaft, London EC3P 3DQ. Tel. 01-623 4541.
Offices also in Leeds, Amsterdam, Paris, Sydney, Melbourne and Cairo.

Handwritten signature: *John, in Lita*

Bogus cures for the slide in sterling

BY SAMUEL BRITTAN

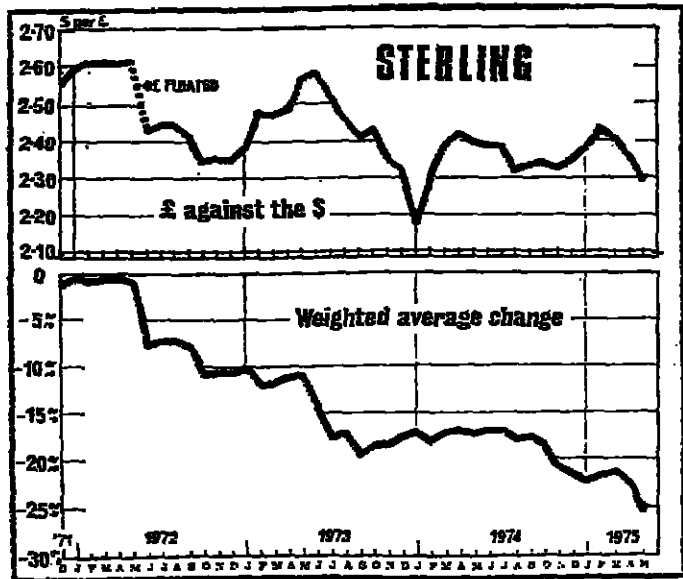
THE RECENT slide in the sterling exchange rate has been widely viewed with concern. But it is important that its significance should be correctly understood. The movement of sterling is a measure of Britain's economic problems, not the cause of them.

Critics of Government policy next Thursday's Commons debate will have every justification for pointing to the thermometer. It would be extremely unfortunate if they either refrained from discussing the state of sterling in a mistaken belief that it was patriotic to do so, or if their pictures took the form of mandating official action to "protect" the exchange rate. This would be as rational as acting to the increasing heat of a cold of a roach by inserting a bubble into the thermometer to prevent the temperature from showing. The rapid rate of inflation has been responsible for the fall in sterling; and any attempt to peg sterling in the foreign exchange market by artificial means would not make inflation go away, but create fresh problems of its own.

Indicators

All the available indicators show that the depreciation of sterling has, so far at least, compensated for the rise in British costs relative to competitor countries. A study undertaken by I.T. Research for the Betsu Trust shows that half the companies interviewed found exporting more profitable than home sales—in contrast to the former deep-ingrained belief that profits were to be found mainly at home.

Why have we been in a situation where, in the words of Mr. Denis Healey, £5 in every £100 we spend has been financed by overseas borrowing? Why is it that the U.K. is still expected



by OECD to have a current deficit of \$7bn. (£3bn.) in 1975, much larger than that of any other member nation?

The basic reason is excessive consumption of goods at home, which both interfered with the export effort and sucked in imports. The main limitation on exports that emerged from the Betsu inquiry was supply difficulties. Even in the last quarter of 1974—when the Chancellor had already twice boasted demand in the mistaken belief that it was inadequate—companies complained of capacity limitations, supply bottlenecks and labour shortages (including semi-skilled and unskilled workers). Instances were quoted of 300 per cent. higher prices being paid for imported components to speed up deliveries.

No doubt better management organisation, wiser past investment, fewer industrial troubles, a better matching of unemployed workers with vacancies, and all the other much canvassed re-

forms would have enabled British industry to produce more for both home and overseas markets. But given the characteristics of the British economy as it is rather than it ought to be, there was probably "overheating" in key sectors even with nearly 700,000 registered unemployed shown towards the end of 1974; and home demand was too high.

Another factor is worth mentioning. This is that the secrecy and mystery-mongering surrounding exchange rate policy may well have reduced the benefits from exchange depreciation. A financial journalist who knew where to inquire, and how to do so discreetly, could have discovered at any time in the past three years that it was official policy to allow the rate to move to keep British costs in line with competitors'. But the fact was by no means obvious to harassed businessmen worried by inflation, who read frequent statements by Front Benchers of both parties de-

ploring the sterling slide, and—especially in the early stages—assurances that the slide was temporary. This was hardly a basis on which to invest money and men in export promotion or import substitution.

The importance of greater frankness has been highlighted by the increased pessimism about exports shown in the May CBI survey. The deterioration in political and economic conditions abroad may largely reflect world recession; but the increased fear of not being able to price competitively reflects inflation fears. There is a widespread belief among international economic organisations that the British rate of inflation is running in 1975 at twice the international average. The 21.7 per cent. rise over a year as shown by the April retail price index will do nothing to weaken the belief, that U.K. inflation is at least 10 per cent. faster than among our main competitors. This would suggest as a rough first shot that sterling would have to decline by about 10 per cent. over the course of 1975. We have already had 3 per cent. of this deterioration since the Budget; but it is quite impossible to predict the timing of any further decline or its exact extent.

Fallacy

The ideal would be to curb the inflation, and with it the depreciation of sterling. But if the first cannot be done, holding up the rate would lead only to unnecessary high unemployment, as British goods become uncompetitive, and to the accumulation of even more overseas debts.

The fallacy of the argument that a depreciation of sterling necessarily causes inflation is shown in the accompanying table. If wages and other domestic incomes double, and there is no increase in productivity, and

no inflation in other countries, then to maintain our competitive position the external value of the pound must fall and imports must also double in price.

It should be noted that in this illustration, the question of the responsiveness of exports or imports to changes in prices or profit margins does not even arise. The halving of the external value of the pound is required to maintain the original ratio of import to domestic prices at home and of British to foreign prices abroad. It is also required to maintain the comparative attraction of capital and monetary assets inside and outside the U.K.

The centre column of the table shows that if by some miracle it were possible for a time to freeze the exchange rate when domestic costs doubled, then prices would go up by only 75 per cent. as we would be paying overseas suppliers unchanged prices in depreciated currency, and incomes would rise 25 per cent. higher than prices at the expense of the foreigner. As soon as this untenable situation came to an end, the price level would shoot up from 75 per cent. to 100 per cent. above that prevailing in the base year. It would look as if it was due to devaluation: while in reality the devaluation would be a belated adjustment to the change in home costs.

It is only fair to say that the Cambridge Economic Policy Review, accepts unreservedly that sterling must depreciate in line with comparative international cost movements, and does not argue for import controls as a way of coping with the international consequences of Britain's inflation rate.

Import control

The more sophisticated arguments for import controls relate to a different type of problem. Let us suppose that the import

DEVALUATION AND INFLATION

Index Nos.	Starting Year	After 100 per cent increase in home costs, before devaluation		After 100 per cent increase in home costs and corresponding devaluation	
		100	100	100	100
Wages and salaries	50	150	150	150	150
Other costs	25	75	75	75	75
Imports	25	75	75	75	75
Total costs	100	175	175	175	175
Increase in incomes		+100 per cent	+100 per cent	+100 per cent	+100 per cent
Increase in prices		+75 per cent	+75 per cent	+75 per cent	+75 per cent

bill in column 1 of the table of the rise in domestic costs and does nothing to aggravate inflation. But a depreciation to meet which have nothing to do with domestic costs—say, because of a combination of the oil price explosion and an increasing British appetite for imports. Then even if there is no domestic inflation, the pound would still have to depreciate to generate an extra 10 units of exports or price-induced switches from imports to home products; and home demand and living standards would have to be cut back to release the extra resources.

There are two standard objections raised against using the exchange rate mechanism here. The first is the belief that exports and imports are not sufficiently responsive to price and profit differentials (which matter here as they did not in the original example), and that an enormous depreciation would be required to improve the trade balance. This view, known in the jargon as "elasticity pessimism," has been exploded in countless international case studies, which have shown that exports and imports are highly responsive to exchange rate changes provided that home demand is held back sufficiently.

The second objection relates to wages and prices. The increase in import prices shown in the table is a pure reflection

of the rise in domestic costs and does nothing to aggravate inflation. But a depreciation to meet which have nothing to do with domestic costs—say, because of a combination of the oil price explosion and an increasing British appetite for imports. Then even if there is no domestic inflation, the pound would still have to depreciate to generate an extra 10 units of exports or price-induced switches from imports to home products; and home demand and living standards would have to be cut back to release the extra resources.

There are two standard objections raised against using the exchange rate mechanism here. The first is the belief that exports and imports are not sufficiently responsive to price and profit differentials (which matter here as they did not in the original example), and that an enormous depreciation would be required to improve the trade balance. This view, known in the jargon as "elasticity pessimism," has been exploded in countless international case studies, which have shown that exports and imports are highly responsive to exchange rate changes provided that home demand is held back sufficiently.

Disguised

Quotas would be simply a way of suppressing some price increases by shortages and rationing (involving windfall profits for the quota owners), as would become obvious if a market were established in them. It is difficult to believe that trade other than the one likely to happen soonest. The main point of this article, however, has not been to crystal-gaze or to advocate policies, but to explain that a rapidly falling exchange rate is worrying because it is a sign of rapid inflation, and not the other way round.

Of all the many canvassed economic measures, a steep rise in the MLR is the one likely to happen soonest. The main point of this article, however, has not been to crystal-gaze or to advocate policies, but to explain that a rapidly falling exchange rate is worrying because it is a sign of rapid inflation, and not the other way round.

"Concentration on Key Markets," published by the Royal Society of Arts, John Adam Street, London, WC2N 6EZ, £10.

Letters to the Editor

Half slave at half speed

From Sir. Owen Aisher.

Sir, Gordon Tether—"Biting the Bitter Demonology"—on May 15—complains that City financial organisations have not done their best for the British capital market.

Present Lincoln referred to the fact that a nation could not be half slave and half free. Britain a capital slave has been half slave and therefore at half speed for many years, almost completely because the Bennis of the past have taken away from private capital its ability to save enough and to reinvest and keep enough to renew capital and therefore it is unable to create further capital or vital advantages. The opportunity to do just that has been and inevitably taken away from private persons and passed on more and more to government agencies who can do little or nothing with it by way of proving the capital structure of this country. In fact the result of politicians has been that to be to take money from the government through various government agencies and pass it on to those who are unable to make it grow—and are even likely to lose it.

Union funds as such were meant to be used as risk capital and risk they would be if they were used to support failing industries and the more appalling, failing, government-run industries. No, Mr. Tether. Go back to fundamentals, be all free or all slaves. What are you really for? suggest that you propose that capitalism be given the chance it needs and there would then be no need for Bennis.

Let us therefore make private capital really possible and profitable with a sense of very real responsibility. In other words, take away from government any idea that they can use capital better than capitalists have in the past and that they are the only people with a sense of responsibility.

The evidence is that government has a very private and particular political view as to responsibility and a very poor record of creating more wealth in any nation. As an example, look at the growth in the standard of living over the last 50 years of Western Europe, compared with Eastern Europe.

O. A. Aisher.
South Godstone, Surrey.

Industrial democracy

From the director, Industrial Participation Association.

Sir.—There is constant reference to industrial democracy, both by members of Government and in pending legislation such as the Industry Bill, but no clear indication of what the Government as distinct from the TUC means by it. What does the Government really intend? How will it eventually plan work in any given situation?

Some indication may perhaps now be gleaned from the Discussion Paper on Industrial Democracy and Worker Participation in Harland and Wolff, published by the Department of Manpower Services, Belfast. Although prepared specifically for this one company—in which Government combines with the role of shareholder—it presumably is not inconsistent with Government thinking in wider terms.

Many of the questions it poses are local to the Harland and Wolff situation, but when these are generalised, the discussion is capable of, and merits, translation into a wider industrial context. We could in effect have here the nearest thing so far to a Government "Green Paper" on industrial democracy. And in a wider section there is little or nothing to which management, in any progressive company would take exception.

There is strong emphasis on grass roots participation. It stresses that participation aims at positive partnership between management and workforce; and that it must be designed to strengthen the company in fulfilling its corporate objectives. It calls for good communication both to strengthen mutual understanding and as necessary for effective performance. It says clearly that there is no blueprint for participation, there must be flexibility, with solu-

Safety at work

From the Assistant General Secretary, Association of Scientific, Technical and Managerial Staffs.

Sir.—I want to express sharp criticism of the report of the inquiry into the Flixborough disaster. To say that the management were only partly responsible for the installation of a temporary by-pass pipe, which in the words of the report "undermined the integrity of a well-designed and constructed plant" is to underestimate the lessons which ought to have been learned by the Court of Inquiry.

The plain truth is that in an attempt to maintain output in a period of increasing commercial pressure, risks were taken which ought not to have been taken. There was no proper design of the by-pass; the appropriate British standards were not consulted; the state employed on the task were not appropriately qualified and indeed there was no one immediately available with the appropriate qualifications; the materials used were those that were available rather than those which may have been more appropriate; the multi-purpose scaffolding used to support the by-pass was subjected to no proper design checks. To make matters worse, the testing techniques applied were inappropriate. Inadequate and downright dangerous. Indeed, the whole question of inspection techniques before the disaster are cause for serious concern.

The report is then commiserated by its lack of power to recommend and much of the value of the report is contained in paragraph 218 which briefly records one or two suggestions made to the committee which should be incorporated into the planning, designing and con-

The tanker market

From the Managing Director, H. P. Drewry (Shipping Consultants).

Sir.—Mr. Jürgen Jahre, in his speech (reported May 14) highlighted the serious problems facing the tanker industry and, through his various suggestions on the possible ways of absorbing and/or eliminating the present tanker surplus, made a valuable contribution to the efforts to solve these problems.

It is possible, however, that Mr. Jahre may have done a disservice to his own cause, and that of the tanker industry in general, by in fact under-estimating the seriousness of the problem. Whereas Mr. Jahre says that there is now an effective surplus of 40m. tons of tankers, of which 25m. dwt is laid-up, recent estimates made by our company indicate that the present surplus is as much as 100m. dwt of which 25m. dwt is laid-up. It is impossible to be precise about the extent of the tanker surplus, but if it is as large as Mr. Jahre makes the plight of the tanker industry even more serious and the need for some corrective action even more urgent.

An endless severely depressed tanker market will ultimately benefit no one in the tanker industry. Therefore it is essential that all those involved in the industry should make every effort to produce ideas for generating a healthier tanker market and that they should, as soon as possible, reach uniform agreement on these matters.

T. H. Wakefield.
Philadelpia House,
14, Argyll Street, W.1.

To-day's Events

GENERAL
British Steel Corporation and TUC Steel Committee continue talks on the industry's labour problems.
Mr. Harold Wilson, Prime Minister, opens National Museum of Labour History, Limehouse Town Hall, London.
Foreign Ministers of Turkey and Greece conclude three-day talks in Rome.
PARLIAMENTARY BUSINESS
House of Commons: Private Members' Bills; Prevention of Terrorism (Temporary Provisions) Act 1974 (Continuance); Order 1975; Lord Amendments to Air Travel Reserve Fund Bill; House of Lords: Air Travel

Reserve Fund Bill, report and third reading; Fair Employment (Northern Ireland) Bill, second reading; Litigants in person (Costs and Expenses) Bill, second reading; Coal Industry Bill, committee; Wild Creatures and Wild Plants Protection Bill, second reading; Debate on the Promotion of International Agreements on the Conservation of Fish Stocks.
COMPANY RESULTS
Borrie Wiggins (full year); Bunzl Pulp and Paper (full year)

French Kier Holdings (full year); Tricentral (full year); Australia and New Zealand Banking Group (half year); COMPANY MEETINGS
See Week's Financial Diary on Page 4.
OFFICIAL STATISTICS
Basic rates of wages and normal weekly hours (end-April); Monthly index of average earnings (March); Provisional retail trade figures (April).

Turnover of motor trades (first quarter); Turnover of catering trades (March); OPERA
King Priam by Sir Michael Tippett performed by the Royal Opera, Royal Opera House, Covent Garden, London, 7.30 p.m.
CONCERTS
Insurance Orchestra, Conductors: Maurice Miles, Eric Hodgson, with Jack Brymer (clarinet), perform works by Sullivan, Teed, Mozart and Tchaikovsky, Royal Festival Hall, London, 7.30 p.m.
Martin Best Consort plays music by Purcell, Didiot, Bellman, Brecht, and Theodorakis, Queen Elizabeth Hall, London, 7.45 p.m.

Sedgwick Forbes

International Insurance and Reinsurance Brokers

are now established in the Middle-East

Sedgwick Forbes announce the formation, with multi-national Arab partners, of Sedgwick Forbes Middle-East Limited

This Company will provide international insurance services throughout the region from offices in:

Riyadh P.O. Box 5669 (Batha Area), Al Ammaria Building, Batha Road, Riyadh.
Jeddah P.O. Box 1716, Jeddah.
Cairo 190 El Nile Street, Agouza, Cairo.
Abu Dhabi P.O. Box 271, Abu Dhabi.
Bahrain P.O. Box 830, Manama, Bahrain.
Beirut P.O. Box 155946, St. Charles Center, Beirut.

Sedgwick Forbes Holdings Limited, Sedgwick Forbes House, 33 Aldgate High Street, London, EC3N 1AL.

COMPANY NEWS + COMMENT

Clarke Chapman's growth expectations

DESPITE THE present unfavourable economic and industrial conditions, Mr. J. B. Woodson, chairman of Clarke Chapman, mechanical and electrical engineers, believes the company will improve on its performance in 1975, given a "reasonable industrial relations climate" in the company and in the U.K.

As reported on May 1 group pre-tax profit, including a full year's contribution from the ICL Group, increased from £4.34m. to £6.74m. in 1974 and the dividend is 4.00p (12.75p) net per share. Despite difficulties at home and overseas, the order intake was satisfactory in most product groups, the primary exception being those directly associated with the construction industry, the chairman reports.

Referring to the Government's choice of the steam generating heavy water reactor as the thermal system for the next British programme, which created uncertainty in that area, he stresses that the group is well placed to play a proper part in the initial £400m. MW programme and subsequently.

Commenting on the uncertainty prevailing as to the current level of industrial demand, he points out that both the two sides put in hand by HMGC, one under Treasury auspices, the other by the NEDO, are studying ways in which greater stability might be achieved in the investment programmes of the six major nationalised industries which, in 1973, accounted for some 30 per cent. of all U.K. purchases of plant and machinery.

As Clarke Chapman's U.K. divisions between them trade with 216,000 customers, the outcome of the studies could affect the company materially, and the chairman hopes that instead of the stop-go ordering pattern experienced for so long, greater stability in investment will be achieved, with an ordering plan fixed for several years ahead.

Chairman's statement, Page 24

comment

Clarke Chapman has declined nearly a tenth since its 1974 results were published earlier this month. However, the year's accounts could cushion this process. For apart from underlining CC's basic balance sheet strengths they also hint at profits growth for 1975. Thereafter, of course, the orders outlook is fairly bleak, at home at least—but CC had roughly a third of its turnover arising outside the U.K. last year. Meanwhile, a yield of 9.2 per cent. is covered nearly three times, and it tops the heavy engineering average by two points.

Harcros revenue up

Pre-tax revenue of Harcros Investment Trust increased from £414,314 to £446,710 in the year to March 31, 1975.

INDEX TO COMPANY HIGHLIGHTS

Page	Col.	Page	Col.
Bowring (C. T.)	20	Inter-City Invest.	20
Clarke & Chapman	20	Ireland (E.)	24
Electrical & Industrial	20	Letrasat	24
Fluidrive Engrg.	21	Neill (Jas.)	20
Gieves Group	20	Spillers	24
Hammerton Prop.	24	Time Assurance	20

Earnings are shown to be up from 1.51p to 1.56p per 10p share and the dividend is lifted from 1.3185p to 1.4p net with a final of 1.13p.

Investments are valued at £7.69m. (£5.45m.) and net current assets are given as £262,944 (£186,837). Net asset value per share is 411p (455p).

Harrisons and Crossfield has a near 20 per cent. stake in the company.

1974/5 1973/4

Revenue

Net revenue

Proposed final

Dividend

Dividend received from subsidiary company whose profit before tax not consolidated amounted to £8,579 (£5,566).

As reported on May 1 group pre-tax profit increased from £1.59m. to £2.62m. last year and the dividend is 3.9955p net (3.875p) per share.

Mr. Neill says the objective was not wholly achieved, because the cash flow needed to finance continuation of the business at the present level. Bank borrowings increased by £1.7m. despite the receipt of £0.64m. on the sale of the holding in Sheffield Rolling Mills.

The directors are "firmly in favour" of Britain remaining in the Common Market.

Meeting, Sheffield, June 5, noon.

Gieves to reduce overdrafts

CHAIRMAN Mr. M. E. A. Keeling tells members that Gieves Group would need "unprecedented good fortune" to achieve results in the current year comparable with the record profits earned in 1974.

Apart from the general atmosphere of economic crisis and the fact that some of the industries in which the group operates are in recession, there are two areas where special adverse factors will operate this year. The Gieves division is likely to encounter some exceptional expenditure this year in achieving the reduction in working capital employed and Redwood Burn will inevitably incur initial trading losses in the Web operation as the new machine is worked up towards profitability, he explains.

At February 1, 1975, the book value of the net assets attributable to each Ordinary share amounted to 99p compared with 70p a year earlier. If property surplus of £500,000 is taken into account, the net asset value becomes £1.17p per share.

The net overdraft stood at £2,065,883 compared with £755,229.

The Board regards it as undesirable to continue relying on the present level of short-term borrowing and has taken the following steps to reduce overdrafts—

The leasehold interest in Poland Street Garage has been sold for £1.1m. subject to sale costs and tax; the leasehold interest in 27, Old Bond Street has been put up for sale; the Marnes trading operation at Harrow has been closed and freehold property put up for sale.

As reported on May 1 group pre-tax profit increased from £1.59m. to £2.62m. last year and the dividend is 3.9955p net (3.875p) per share.

Mr. Neill says the objective was not wholly achieved, because the cash flow needed to finance continuation of the business at the present level. Bank borrowings increased by £1.7m. despite the receipt of £0.64m. on the sale of the holding in Sheffield Rolling Mills.

The directors are "firmly in favour" of Britain remaining in the Common Market.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Meeting, Sheffield, June 5, noon.

Confidence at EIS—exports up

With a strong liquid position, a strong and potentially profitable order book, and given increased productivity, Electrical and Industrial Securities faces 1975 with "confidence" reports chairman Sir Hugh Weeks in his annual statement.

Orders in hand total £10m., compared with £8m. a year ago, and he hopes that if there is no abnormal interruption, turnover in the current year should reach £9m. (against £7.13m.).

Sir Hugh tells members that one benefit from the successful diversification into the supply of equipment to the oil industry has been the growth of the direct export trade, which increased from £16,000 to £1.84m. Total export sales, including indirect exports, increased from £1.7m. to £2.7m.

"We shall continue the steady process of such re-equipment of our factories as seems to be financially justified in the light of our estimates of future demand for our products, but our first aim will continue to be to maximise the output and productivity of our existing capacity," he says.

"We are fortunate that despite these claims on our cash, we shall be able to maintain liquidity at a good level in 1975; a level which will be the envy of many firms in industry."

As reported on April 5, pre-tax profit increased from £560,232 to £787,164 and the net dividend total is up from 1.342p to 1.967p.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Meeting, Brewers' Hall, Aldermanbury Square, E.C.4, June 10 at noon.

Bowring sees big upturn

DESPITE A very considerable increase faced in overheads, group results of C. T. Bowring and Co. could show a material improvement in 1975, following the sharp drop from £14.4m. to £9.2m. in last year's profit.

This is forecast by the chairman Mr. E. R. H. Bowring who points out that the result for 1974 was struck after exceptionally large provisions for doubtful debts and for falls in the value of investments and properties.

He feels that the results show the sound base from which the group should, given reasonable conditions, be able to continue its progress.

Referring to the insurance broking side in their review of activities—1974 profits of this division were higher at £7.22m. (£6.88m.)—the directors state that insurance premiums in the markets in which C. T. Bowring and Co. (Insurance) operates are showing signs of recovery in some areas, and this combined with an increasing flow of new business, they feel, augurs well for a further profit rise this year.

A C. T. Bowring (U.K.) life and pension companies are now so structured that they can be expanded to take full advantage of new business opportunities when they arise. In addition higher earnings of the general broking companies has enabled technical services to be improved, and this will help to ensure continuing growth of profitability.

On the merchant banking side a loss of £80,000 last year, to £334,000 occurred last year—the directors are expecting an improvement in view of the "satisfactory trading performance" in the adverse conditions of 1974 and the likelihood that provisions will not have to be repeated over the same scale.

Under the heading of contingent liabilities the group has given guarantees to third parties in respect of loans, deposits and acceptances of subsidiaries amounting to £109m. (£4m.).

At December 31 last the market value of group interests in land and buildings was considered to be over £10m. before tax, above the book figure.

The points of interest in the C. T. Bowring report are the details of the group's loss-makers in 1974 and possible clues to the extent of the "material" improvement in profits already forecast for 1975.

But the report is a good deal stronger on past performance than on future indicators. Still, the profitability looks "reasonably certain" in the property division against a £553,000 loss last year; the cutback in Bowmaker's finance house overheads should ensure continued recovery; and Singer and Friedlander looks set to have a better year. The fly in the ointment this year could be Bowring Steamship following the drop in freight rates—and there is also a warning about the marine and aviation prospects for English and American Insurance. The shares have not moved significantly since the announcement of the 1974 results, and yield 5.8 per cent. at 56p.

Under the heading of contingent liabilities the group has given guarantees to third parties in respect of loans, deposits and acceptances of subsidiaries amounting to £109m. (£4m.).

At December 31 last the market value of group interests in land and buildings was considered to be over £10m. before tax, above the book figure.

The points of interest in the C. T. Bowring report are the details of the group's loss-makers in 1974 and possible clues to the extent of the "material" improvement in profits already forecast for 1975.

But the report is a good deal stronger on past performance than on future indicators. Still, the profitability looks "reasonably certain" in the property division against a £553,000 loss last year; the cutback in Bowmaker's finance house overheads should ensure continued recovery; and Singer and Friedlander looks set to have a better year. The fly in the ointment this year could be Bowring Steamship following the drop in freight rates—and there is also a warning about the marine and aviation prospects for English and American Insurance. The shares have not moved significantly since the announcement of the 1974 results, and yield 5.8 per cent. at 56p.

Under the heading of contingent liabilities the group has given guarantees to third parties in respect of loans, deposits and acceptances of subsidiaries amounting to £109m. (£4m.).

At December 31 last the market value of group interests in land and buildings was considered to be over £10m. before tax, above the book figure.

The points of interest in the C. T. Bowring report are the details of the group's loss-makers in 1974 and possible clues to the extent of the "material" improvement in profits already forecast for 1975.

But the report is a good deal stronger on past performance than on future indicators. Still, the profitability looks "reasonably certain" in the property division against a £553,000 loss last year; the cutback in Bowmaker's finance house overheads should ensure continued recovery; and Singer and Friedlander looks set to have a better year. The fly in the ointment this year could be Bowring Steamship following the drop in freight rates—and there is also a warning about the marine and aviation prospects for English and American Insurance. The shares have not moved significantly since the announcement of the 1974 results, and yield 5.8 per cent. at 56p.

Under the heading of contingent liabilities the group has given guarantees to third parties in respect of loans, deposits and acceptances of subsidiaries amounting to £109m. (£4m.).

At December 31 last the market value of group interests in land and buildings was considered to be over £10m. before tax, above the book figure.

The points of interest in the C. T. Bowring report are the details of the group's loss-makers in 1974 and possible clues to the extent of the "material" improvement in profits already forecast for 1975.

But the report is a good deal stronger on past performance than on future indicators. Still, the profitability looks "reasonably certain" in the property division against a £553,000 loss last year; the cutback in Bowmaker's finance house overheads should ensure continued recovery; and Singer and Friedlander looks set to have a better year. The fly in the ointment this year could be Bowring Steamship following the drop in freight rates—and there is also a warning about the marine and aviation prospects for English and American Insurance. The shares have not moved significantly since the announcement of the 1974 results, and yield 5.8 per cent. at 56p.

Under the heading of contingent liabilities the group has given guarantees to third parties in respect of loans, deposits and acceptances of subsidiaries amounting to £109m. (£4m.).

At December 31 last the market value of group interests in land and buildings was considered to be over £10m. before tax, above the book figure.

The points of interest in the C. T. Bowring report are the details of the group's loss-makers in 1974 and possible clues to the extent of the "material" improvement in profits already forecast for 1975.

But the report is a good deal stronger on past performance than on future indicators. Still, the profitability looks "reasonably certain" in the property division against a £553,000 loss last year; the cutback in Bowmaker's finance house overheads should ensure continued recovery; and Singer and Friedlander looks set to have a better year. The fly in the ointment this year could be Bowring Steamship following the drop in freight rates—and there is also a warning about the marine and aviation prospects for English and American Insurance. The shares have not moved significantly since the announcement of the 1974 results, and yield 5.8 per cent. at 56p.

Under the heading of contingent liabilities the group has given guarantees to third parties in respect of loans, deposits and acceptances of subsidiaries amounting to £109m. (£4m.).

At December 31 last the market value of group interests in land and buildings was considered to be over £10m. before tax, above the book figure.

The points of interest in the C. T. Bowring report are the details of the group's loss-makers in 1974 and possible clues to the extent of the "material" improvement in profits already forecast for 1975.

But the report is a good deal stronger on past performance than on future indicators. Still, the profitability looks "reasonably certain" in the property division against a £553,000 loss last year; the cutback in Bowmaker's finance house overheads should ensure continued recovery; and Singer and Friedlander looks set to have a better year. The fly in the ointment this year could be Bowring Steamship following the drop in freight rates—and there is also a warning about the marine and aviation prospects for English and American Insurance. The shares have not moved significantly since the announcement of the 1974 results, and yield 5.8 per cent. at 56p.

Under the heading of contingent liabilities the group has given guarantees to third parties in respect of loans, deposits and acceptances of subsidiaries amounting to £109m. (£4m.).

At December 31 last the market value of group interests in land and buildings was considered to be over £10m. before tax, above the book figure.

The points of interest in the C. T. Bowring report are the details of the group's loss-makers in 1974 and possible clues to the extent of the "material" improvement in profits already forecast for 1975.

But the report is a good deal stronger on past performance than on future indicators. Still, the profitability looks "reasonably certain" in the property division against a £553,000 loss last year; the cutback in Bowmaker's finance house overheads should ensure continued recovery; and Singer and Friedlander looks set to have a better year. The fly in the ointment this year could be Bowring Steamship following the drop in freight rates—and there is also a warning about the marine and aviation prospects for English and American Insurance. The shares have not moved significantly since the announcement of the 1974 results, and yield 5.8 per cent. at 56p.

Under the heading of contingent liabilities the group has given guarantees to third parties in respect of loans, deposits and acceptances of subsidiaries amounting to £109m. (£4m.).

At December 31 last the market value of group interests in land and buildings was considered to be over £10m. before tax, above the book figure.

The points of interest in the C. T. Bowring report are the details of the group's loss-makers in 1974 and possible clues to the extent of the "material" improvement in profits already forecast for 1975.

But the report is a good deal stronger on past performance than on future indicators. Still, the profitability looks "reasonably certain" in the property division against a £553,000 loss last year; the cutback in Bowmaker's finance house overheads should ensure continued recovery; and Singer and Friedlander looks set to have a better year. The fly in the ointment this year could be Bowring Steamship following the drop in freight rates—and there is also a warning about the marine and aviation prospects for English and American Insurance. The shares have not moved significantly since the announcement of the 1974 results, and yield 5.8 per cent. at 56p.

Under the heading of contingent liabilities the group has given guarantees to third parties in respect of loans, deposits and acceptances of subsidiaries amounting to £109m. (£4m.).

At December 31 last the market value of group interests in land and buildings was considered to be over £10m. before tax, above the book figure.

The points of interest in the C. T. Bowring report are the details of the group's loss-makers in 1974 and possible clues to the extent of the "material" improvement in profits already forecast for 1975.

But the report is a good deal stronger on past performance than on future indicators. Still, the profitability looks "reasonably certain" in the property division against a £553,000 loss last year; the cutback in Bowmaker's finance house overheads should ensure continued recovery; and Singer and Friedlander looks set to have a better year. The fly in the ointment this year could be Bowring Steamship following the drop in freight rates—and there is also a warning about the marine and aviation prospects for English and American Insurance. The shares have not moved significantly since the announcement of the 1974 results, and yield 5.8 per cent. at 56p.

Under the heading of contingent liabilities the group has given guarantees to third parties in respect of loans, deposits and acceptances of subsidiaries amounting to £109m. (£4m.).

At December 31 last the market value of group interests in land and buildings was considered to be over £10m. before tax, above the book figure.

A "good recovery" in the profit of Inter-City Investment Group for 1975, and the resumption of an interim dividend, are anticipated by the chairman, Mr. J. Harris.

As reported on May 2, group pre-tax profit for 1974 contracted from £474,511 to £363,715 and the dividend—paid only—1.04p net (total 1.288125p) per share. The second half anticipated recovery did not materialise—the last quarter proved more difficult than the previous nine months.

But as a result of changes in trading policy, first quarter current year margins "recovered substantially," says Mr. Harris.

Chairman's statement, Page 24

Good result from Time Assurance

Time Assurance Society, one of the few active friendly societies in the U.K., reports a valuation surplus of £2.2m. for the three years ending December 31, 1974, compared with £0.6m. in the previous year. This has enabled record levels of reversionary bonus on all classes of with-profit business.

The rate for endowment assurance is now £3.50 per cent. (previously £3.00 per cent. previously) and for whole life contracts £4.00 per cent. (£3.50). But the largest increase has been made to the popular Family Savings Bonds, where for entry ages under 45, the bonus rate has been lifted by £1.50 to £3.50 per cent. per annum.

The life funds of the Society have increased by £2.9m. over the year to stand at £10.7m. on December 31, 1974. Premium income rose by £0.4m. to £2.9m. and investment income was £0.5m. higher at £0.9m. The chairman, Mr. G. Parfitt reports that despite the historically high rate of inflation, the management expense ratio for the year had been reduced from 13.94 per cent. to 12.09 per cent.

He also says that the policy of only investing in fixed interest securities had been confirmed by the results. The fund's primary aim was high income to match the long-term liabilities, and this was more appropriately provided by income fixed income assets.

Under the heading of contingent liabilities the group has given guarantees to third parties in respect of loans, deposits and acceptances of subsidiaries amounting to £109m. (£4m.).

At December 31 last the market value of group interests in land and buildings was considered to be over £10m. before tax, above the book figure.

COMPANY NEWS

'Satisfactory start' by Spillers

VARIOUS FACTORS coupled with uncertainties that will exist until a clear decision is taken to remain in the EEC, make it impossible to predict Spillers' outcome for the current year, says the chairman, Mr. W. M. Vernon. However, the year started satisfactorily and the directors are reasonably confident that the first-half results will show "a significant improvement" on the corresponding period of 1974. It is probable that interest charges for the six months will show a marked reduction.

Introduction of a revised code under the Government's counter inflation policy has marginally contributed to a currently better position in baking. Although there will be a substantial improvement it is unlikely that Spillers' such baking will make a profit this year.

But Mr. Vernon believes that the major benefits anticipated at the time of the Spillers-French merger are now, to a very considerable degree, being achieved.

He stresses that the principal need is to continue the satisfactory growth of most of the companies and to rectify the problems of the minority.

As reported on April 24 group pre-tax profit decreased from £10.7m. to £7.35m. in the year to February 1, 1975, and the dividend is maintained at 3.5p gross. The disappointing overall results conceal the "excellent" performance of many operating companies in a period of unprecedented difficulty for the food manufacturing industry, says Mr. Vernon.

● comment

Inevitably, there must be doubts about asset value when book capital employed of £173m. yields just £12.2m. before interest. Spillers, in fact, is writing £10m. off the £23.5m. goodwill included in this total, though it gets a black mark from its auditor, Deloitte, for not passing the item

BOARD MEETINGS

The following companies have notified dates of Board meetings to The Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends are being increased or decreased and the dividend shown below is based mainly on last year's results.

TO-DAY
Interiors—Australia and New Zealand Bankings, Buro Den, Midland Industries, Fiala—Berry Wiggins, Booth (International), Bunt Pils, Clark and Penn, F.C. Finance, French Kier, Outwell Investment Trust, Pedding Seaas Rubber, Regal Properties, H. Samuel, H. C. Singhey, Tricentrol, Turnbull Scott Shipping.

FUTURE DATES
Interiors—Australia and New Zealand Bankings, Buro Den, Midland Industries, Fiala—Berry Wiggins, Booth (International), Bunt Pils, Clark and Penn, F.C. Finance, French Kier, Outwell Investment Trust, Pedding Seaas Rubber, Regal Properties, H. Samuel, H. C. Singhey, Tricentrol, Turnbull Scott Shipping.

through the p and l. The report confirms that baking losses, £8.9m. last year, will be greatly reduced this time, but despite easier grain prices, Spillers continues to maintain borrowing facilities "well in excess" of current needs; debt on February 1 was £57.5m., against tangible shareholders' funds (ignoring Rhodesia and Zambia) of £86m.

Chairman's statement, Page 20

O. C. Summers setback

On turnover up from £8.6m. to £7.4m., profits of civil engineers and public works contractors, etc., O. C. Summers (Holdings) fell from £306.510 to £161.277 in 1974, before tax down from £180.674 to £104.911.

At half-way, reporting profits of £78.600 (£160,000) the directors were expecting an improvement

in the second half. Full-year earnings are shown to be down from 7.1p to 2.7p per 25p share and the dividend is reduced from 3.4p to 2.5p net with a final of 1.25p.

Letraset sales down on target

Sales of Letraset International, the commercial arts materials group, have failed to meet planned growth, and trading in the second half to April 30, 1975 "is unlikely to show much improvement on the first six months."

This is stated by the chairman, Mr. W. Fieldhouse, in his third-quarter letter to shareholders. Using the occasion to highlight the company's North American interests—where Letraset has made "considerable progress in recent years"—the chairman says there are excellent prospects for expansion there.

"North America will provide an increasing proportion of the group's profitability in the coming years," he adds.

Commenting on current trading, he says: "actions taken since October to improve the situation in terms of cost reduction and tighter working capital control, produce after finance costs, and are expected to produce in the future. With curtailment of the development programme it is to the future income from investment properties that growth is looked for during the remainder of this decade."

The directors have endeavoured to take a realistic view of the values of completed properties at end 1974, bearing in mind the depressed state of the market at that time.

Properties total £216.55m. (£182.7m.) comprising fully developed investment properties at cost £141.58m. (£79.44m.) and development properties at cost £74.96m. (£113.26m.).

Valuations since 1968 by the joint managing directors, of the fully developed properties, when fully developed, showed a total surplus of £53.26m. attributable to the group.

They believe that if current investment yields and deferred reversionary rental values were applied to all the valuations, the total surplus would not be less than the stated figure.

Over the next few years the objective will be to consolidate the properties into a first-class portfolio fully financed on long-term funds at fixed and reasonable interest rates and to secure growth from the "extremely valuable" reversions maturing

Hammerson now curtails overseas development

EVENTS OF the past year have necessitated a complete reappraisal by the directors of Hammerson Property and Investment Trust of objectives and future policies, says the chairman, Mr. S. Mason.

A year ago he indicated that development activities within the U.K. would be curtailed and only developments committed would be proceeded with.

This policy will continue, he now says, but events since have also necessitated the curtailment of development activities overseas. The financial crisis has now extended to and affected most of the advanced countries of the world and has resulted in a complete withdrawal of finance suitable for property development.

The view was therefore taken that, as a matter of prudence, one of the main objectives during the latter part of 1974 and the whole of 1975 should be to reduce substantially short-term indebtedness, which constitute "an unwelcome exposure to fluctuating interest rates and to potential liquidity pressures."

It was decided that selective disposals be made of some investment properties, particularly those where the cost was not fully long-term financed so that the proceeds would make a noticeable impact on the reduction of short-term facilities. The most important property in this category was Fleet Bank House, Salisbury Square, E.C.4, where building works were completed in 1974.

Referring to the problem of valuations, Mr. Mason stresses that the relevant factor from a shareholder's point of view is the net income which investments produce after finance costs, and 1975 will depend largely on the start-up of new developments.

As reported, group pre-tax profit fell from £1.96m. to £457,584 in 1974.

The auditors' report has been qualified as they are unable to ascertain the market value of development projects during 1975, but the borrowings at the end of 1974, in the absence of a current professional valuation. The directors consider the valuation fairly stated.

In their report the auditors state that in addition an overseas subsidiary holds a 40 per cent. investment in an associate which is given in the books at the cost of £235,204. The only asset of the company is one development which is stated at cost. In the absence of a current professional valuation we are not able to satisfy ourselves that this asset is fairly stated in accordance with the group's accounting policy and therefore that the investment is fairly stated.

Meeting, Bath, June 5 at 11.30

over the next few years. For the future the directors remain ready to undertake new development projects wherever and whenever the financial and economic climate and policies of any country permits.

As known, group pre-tax profit decreased from £3.53m. to £3.12m. in 1974, and the dividend is 4.52p (same) net per share.

Meeting, 100, Park Lane, W., June 16, noon.

See Lex

Good prospect at E. Ireland

THE CURRENT year profit outlook at Ernest Ireland is encouraging, reports chairman Mr. J. D. Fitzjohn.

All subsidiaries are busy and turnover is expected to be about £30m., including Weir Construction.

Arrangements have been made to obtain more long-term finance for development projects, and loans totalling some £5.5m. have been secured. The chairman says that this method of finance gives the group a longer period in which to arrange sales at the best time in the financial market on complete developments.

The borrowing level of some £13m. of loans and overdrafts is expected to be reduced by some £4.5m. with the sale of current development projects during 1975, but the borrowings at the end of 1974, in the absence of a current professional valuation. The directors consider the valuation fairly stated.

In their report the auditors state that in addition an overseas subsidiary holds a 40 per cent. investment in an associate which is given in the books at the cost of £235,204. The only asset of the company is one development which is stated at cost. In the absence of a current professional valuation we are not able to satisfy ourselves that this asset is fairly stated in accordance with the group's accounting policy and therefore that the investment is fairly stated.

Meeting, Bath, June 5 at 11.30

The fall in MLR from 124 per cent. to 10 per cent., together

GESTETNER HOLDINGS LIMITED

Notice to Holders of Share Warrants to Bearer

£11,160,242. 10% per cent. Convertible Unsecured Loan Stock 1980/85 of Gestetner Holdings Limited is being offered for subscription at par by way of rights on the basis of £1 nominal of the Stock for every 5 Shares of 25p each. Entitlements are being calculated separately in respect of each class of shares. Fractions are being disregarded and aggregated and sold for the benefit of the Company.

Holders of share warrants to bearer may obtain Provisional Allotment Letters on presentation of Coupon No. 99 through an Authorised Depository, to Barclays Bank (London and International) Limited, New Issues Department, P.O. Box 123, 2 London Wall Buildings, London Wall, London EC2P 2BU, with a completed Coupon Lodgment Form obtainable from the same address.

Stock not taken up by 3 p.m. on 6th June, 1975 and which can be sold at a premium (after deducting the amount payable on acceptance and expenses of sale) not later than the close of business on 11th June, 1975 will be sold. The net proceeds of sale will be held for payment against lodgment of Coupon No. 99 in the above manner on or after 25th June, 1975 or paid to the Authorised Depository if the Coupon has then already been lodged.

By Order of the Board,
J.A. Barnett,
Secretary.

41 Fawley Road,
London N17 9LT.
19th May, 1975.



Norsk Hydro a.s.
(Incorporated in the Kingdom of Norway with limited liability)

U.S. \$40,000,000 9 3/4 per cent Bonds 1985

Issue Price 100 per cent

The following have agreed to procure subscribers for the Bonds:

Hambros Bank Limited **Banque de Paris et des Pays-Bas**
Banque de Bruxelles S.A. **Credit Suisse White Weld Limited**

The 40,000 Bonds of \$1,000 each constituting the above issue have been admitted to the Official List of The Stock Exchange in London.

Particulars of the Bonds are available in the statistical services of The Exchange Telegraph Company Limited and Moodies Services Limited and copies may be obtained during usual business hours up to and including 30th May, 1975, from the Brokers to the issue:

Rowe & Pitman, Hurst-Brown, **Strauss, Turnbull & Co.,**
City Gate House, Finsbury Square, **3, Moorgate Place,**
London EC2A 1JA. **London EC2R 6HR.**

Clarke Chapman Limited 1974 Results

	1974	1973
Turnover	£134,000,000	£89,000,000
Profit before Tax	£6,742,000	£4,343,000
Profit after Tax	£3,708,000	£2,538,000
Extraordinary items	—	£579,000
Dividend per ordinary share	6.2015p	5.5125p
(Gross Equivalent)		
Basic Earnings per ordinary share	11.47p	11.34p
(before extraordinary items)		

The 1974 figures include the full year results of the International Combustion business acquired during the year.

Points from the review of Chairman Mr. J. B. Woodeson, C.B.E.

- * Profits satisfactory after absorbing considerable increased costs of three day week and continuing inflation.
- * Sound liquidity improvement continues with close control of level of debtors, stocks and work in progress.
- * National energy policy decision on SGHWR welcomed but fixed ordering programme for fossil fuelled plant essential.
- * Good order book for most of Company's products.
- * Prospect of improvement in 1975 given a reasonable economic climate.

The Eighty-second Annual General Meeting will be held on Thursday 12th June 1975 at 3.00p.m. at the Group Headquarters at Victoria Works, Gateshead



INTER-CITY An Investment Holding Company

Chairman Mr. J. Harris reports on a rationalisation of activities in a difficult year and announces a Group Profit before taxation of £165,716.

Results for the year ended 31st December	1974	1973
Group turnover	£5,807	£4,337
Profit before taxation	165	474
Taxation	70	222
Profit after taxation	95	252
Net earnings per Ordinary Share	1.12p	2.96p

"The year under review was a most difficult trading period. The weakness of sterling, coupled with continued high interest rates and an increasingly competitive export market resulted in severely reduced profit margins and profits, before taxation, were £165,716 compared with £473,511 for the previous year. The recovery anticipated in the second half of the year did not materialise and, indeed, the last quarter of the year proved to be more difficult than the previous nine months. However, as a result of a number of changes in trading policy introduced last year there has been a substantial recovery in group profit margins for the first quarter of the current year.

Provided there are no further adverse changes in the general economic climate a good recovery of the Group Profit for 1975 is anticipated and consequently the resumption of payment of an interim dividend.

Subject to the approval of Members at the Annual General Meeting to be held on 9th June, 1975 a final dividend of 0.4p per share will be paid on 1st July, 1975.

J. Harris, Chairman.

Copies of the Report and Accounts are available from the Company Secretary.
Inter-City Investment Group Limited,
Glasshouse Fields, Cable Street, London E1 9HZ

Desoutter Brothers (Holdings) Limited

Improvement maintained in Turnover and Profits

	1974	1973	1972
Turnover—Invoiced Sales outside the Group	8,897	8,237	6,049
Group Profit before tax	1,888	1,878	1,176
Net profit after taxation attributable to Ordinary and 'A' Ordinary Shareholders	828	828	689
Earnings per Ordinary and 'A' Ordinary Share	19.08p	19.70p	16.40p
Dividend per Ordinary and 'A' Ordinary Share inclusive of tax credit	11.70p	10.70p	10.25p

The Chairman, Mr. R. Desoutter, made the following reference to future prospects, in the course of his statement: "Most industrial companies in the world will be faced with the dual problem of liquidity and increased costs in 1975. Many of them will reduce expenditure as part of their remedies and this is already having some effect on the level of incoming orders. Nonetheless our experience so far in the current year suggests that the first half year will produce results comparable with the first half of 1974.

The uncertainty of current economic conditions makes it difficult to be specific about the likely outcome of the year as a whole. Much will depend on developments over the rest of the year in the main markets in which our products are sold. We may look forward to a further satisfactory year for the Group as a whole but I prefer to reserve further comment until the publication of my interim statement in the Autumn of this year."



This advertisement is issued in compliance with the requirements of the Council of The Stock Exchange.

GESTETNER HOLDINGS LIMITED

(Incorporated in England under the Companies Acts 1908 to 1917: Registered No. 178970)

Issue of £11,160,242
10 per cent. Convertible Unsecured Loan Stock
1990/95 at par

The Stock has been admitted to the Official List by the Council of The Stock Exchange. Particulars of the Stock are available in the statistical services of the Eitel Statistical Services Limited and Moodies Services Limited and copies may be obtained during business hours up to and including 2nd June, 1975 from:—

Hoare & Co. Goyett Limited,
Atlas House,
1 King Street,
London EC2V 8DU

N. M. Rothschild & Sons Limited,
New Court,
St. Swinith's Lane,
London EC4P 4DU

South East Asia Shipping

19-20 JUNE 1975 — SHANGRI-LA, SINGAPORE

Organised by the Financial Times Limited, Straits Times, British Airways, Cathay Pacific Airways and Fairplay International Shipping Weekly

- Speakers will include:
- OPENING ADDRESS
Mr Yong Nyuk Lin
Minister of Communications, Singapore
 - SHIP REPAIRING AND CONSTRUCTION
Mr C N Watson
Sembawang Shipyard, Singapore
 - FAR EASTERN FREIGHT CONFERENCE
— A CRITICAL APPRAISAL
Mr Tan Eng Joo
National Shippers Council
 - THE OUTLOOK FOR SHIPPING IN SOUTH-EAST ASIA
Mr Koh Seow Tee
Neptune Orient Lines
 - THE INVESTMENT REQUIREMENTS FOR SHIPPING IN THE GREAT ASIAN ARCHIPELAGO
Dr K C Sen
Transport and Communications Division, Asian Development Bank
 - TRADE AND INVESTMENT—DEVELOPING THE CONNECTION BETWEEN THE MIDDLE EAST AND SOUTH EAST ASIA
Mr Hussain Najadi
Arab Investments for Asia Ltd
 - IS THERE STILL PROFIT IN SHIPPING FINANCE?
Mr A O Scarrow
Bank of America
 - AREAS OF SHIPPING INVESTMENT IN THE PACIFIC
Mr Lawrence Wee
First Overseas Credit Ltd
 - SHIPBUILDING AND CONSTRUCTION
Mr T Yamada
Shipbuilders' Association of Japan
 - THE FAR EASTERN FREIGHT CONFERENCE AND ITS BENEFITS
Mr H O Karsten
Far Eastern Freight Conference
 - LAW OF THE SEA AND SHIPPING IN THE GREAT ASIAN ARCHIPELAGO
Tunku Achmed Rithauden Al Haj
bin Tunku Ismail
Minister of Special Functions and Information Malaysia
 - Ambassador Arturo Tolentino
Philippines

The fee of £135 (\$5,770 HK\$ 1640) covers all refreshments, cocktails, lunch and conference documentation.

To be completed and returned to:
The Financial Times Ltd,
388 Strand, London WC2R 0LT Telephone: 01-936 5444 Telex: 27347

Please register me for the SOUTH EAST ASIA SHIPPING CONFERENCE
BLOCK CAPITALS PLEASE

Name _____
Title _____
Company _____
Address _____
I enclose a cheque for £135 (\$5,770 HK\$ 1640) made payable to the Financial Times Limited
Please send me further details ☐
Signed _____ Date _____

The Financial Times Limited. Registered number 227580 England
Registered Office, Bracken House, Cannon Street, London, EC4P 4BY

Jonathan Wren & Co.
The personnel consultant
We are looking for a dynamic international manager in charge of a large project in the Far East. The names of applicants should be sent to Mr. E. Cannon Street, London EC4A 3DF. Interviews will take place on 19th June 1975.

AMERICAN COPENHAGEN
Subsidiary of American Express Banking Corp.
We are looking for a dynamic international manager in charge of a large project in the Far East. The names of applicants should be sent to Mr. E. Cannon Street, London EC4A 3DF. Interviews will take place on 19th June 1975.

Jonathan Wren & Co.
The personnel consultant
We are looking for a dynamic international manager in charge of a large project in the Far East. The names of applicants should be sent to Mr. E. Cannon Street, London EC4A 3DF. Interviews will take place on 19th June 1975.

14 88 123
6 14.4 0

[illegible]

153	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99
153	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99

2412	2413	2414	2415	2416	2417	2418	2419	2420	2421	2422	2423	2424	2425	2426	2427	2428	2429	2430	2431	2432	2433	2434	2435	2436	2437	2438	2439	2440	2441	2442	2443	2444	2445	2446	2447	2448	2449	2450	2451	2452	2453	2454	2455	2456	2457	2458	2459	2460	2461	2462	2463	2464	2465	2466	2467	2468	2469	2470	2471	2472	2473	2474	2475	2476	2477	2478	2479	2480	2481	2482	2483	2484	2485	2486	2487	2488	2489	2490	2491	2492	2493	2494	2495	2496	2497	2498	2499	2500											
10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100									
101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200
101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200
101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200
101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200
101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200
101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200
101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200
101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200
101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200
101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200
101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200
101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200
101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200
101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160																																								

... ..

22	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420	421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440	441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460	461	462	463	464	465	466	467	468	469	470	471	472	473	474	475	476	477	478	479	480	481	482	483	484	485	486	487	488	489	490	491	492	493	494	495	496	497	498	499	500	501	502	503	504	505	506	507	508	509	510	511	512	513	514	515	516	517	518	519	520	521	522	523	524	525	526	527	528	529	530	531	532	533	534	535	536	537	538	539	540	541	542	543	544	545	546	547	548	549	550	551	552	553	554	555	556	557	558	559	560	561	562	563	564	565	566	567	568	569	570	571	572	573	574	575	576	577	578	579	580	581	582	583	584	585	586	587	588	589	590	591	592	593	594	595	596	597	598	599	600	601	602	603	604	605	606	607	608	609	610	611	612	613	614	615	616	617	618	619	620	621	622	623	624	625	626	627	628	629	630	631	632	633	634	635	636	637	638	639	640	641	642	643	644	645	646	647	648	649	650	651	652	653	654	655	656	657	658	659	660	661	662	663	664	665	666	667	668	669	670	671	672	673	674	675	676	677	678	679	680	681	682	683	684	685	686	687	688	689	690	691	692	693	694	695	696	697	698	699	700	701	702	703	704	705	706	707	708	709	710	711	712	713	714	715	716	717	718	719	720	721	722	723	724	725	726	727	728	729	730	731	732	733	734	735	736	737	738	739	740	741	742	743	744	745	746	747	748	749	750	751	752	753	754	755	756	757	758	759	760	761	762	763	764	765	766	767	768	769	770	771	772	773	774	775	776	777	778	779	780	781	782	783	784	785	786	787	788	789	790	791	792	793	794	795	796	797	798	799	800	801	802	803	804	805	806	807	808	809	810	811	812	813	814	815	816	817	818	819	820	821	822	823	824	825	826	827	828	829	830	831	832	833	834	835	836	837	838	839	840	841	842	843	844	845	846	847	848	849	850	851	852	853	854	855	856	857	858	859	860	861	862	863	864	865	866	867	868	869	870	871	872	873	874	875	876	877	878	879	880	881	882	883	884	885	886	887	888	889	890	891	892	893	894	895	896	897	898	899	900	901	902	903	904	905	906	907	908	909	910	911	912	913	914	915	916	917	918	919	920	921	922	923	924	925	926	927	928	929	930	931	932	933	934	935	936	937	938	939	940	941	942	943	944	945	946	947	948	949	950	951	952	953	954	955	956	957	958	959	960	961	962	963	964	965	966	967	968	969	970	971	972	973	974	975	976	977	978	979	980	981	982	983	984	985	986	987	988	989	990	991	992	993	994	995	996	997	998	999	1000
141M	62	23	68	98																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												</																																																																																																																																																																																																																																																																																																																																																																																																																																																																																										

112

[illegible]

374	620.9	1.6	14.6	6.4	July	Nov	Huntleigh Mp.	65	30.9	177	4.3	6.3	6.3
374					Oct.	Apr	Huntch. In. SEBT	45	26.10	104	1.2	12.6	12.6
	65.4	1.3	11.8	9.8	April	Sept	Long. Cont. Gas fl.	381	10.2	104	2.8	25.0	25.0

24	19	2.6	12.3	3.8	Jan.	Aug.	Initial Services	36	1.3	2.7	2.0	1.0
10.2	Q12 ₂	4	4.8	3	Aug.	Mar.	Inter-City Bp.	39	24.2	12.7	1.9	12.5
21.3	Q5	6	2.5	7	Apr.	Aug.	Int. Computers	42	87	2	6	8.2
									21.1	8.7	21.9	2.6

... ..

MINES

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £285 per annum for each security.

AH London and Grimsby
Tel: 01473 253 966
The builders who have been
giving a comprehensive
service since 1740...

AH
that's Ashby & Harner
...the builders!

FINANCIAL TIMES

Monday May 19 1975

GF The
GEORGE FISCHER GROUP
Pipe fittings in malleable
iron and plastics. Pipe
cutting and screwing mach-
ines. Malleable iron castings.
LONDON-BEDFORD-HUNTINGDON

Schlesinger warning to North Koreans

BY PAUL LEWIS, U.S. EDITOR

THE U.S. Defence Secretary, Dr. James Schlesinger, warned North Korea today that the U.S. would react vigorously if it tried to take advantage of America's defeat in Indochina to launch another attack on the South.

Dr. Schlesinger said the U.S. would react "more vigorously" than it had in the Vietnam war. The lesson of that conflict, he said, was that the U.S. should avoid "ancillary operations" and strike right at the heart of an opponent's power.

He doubted that Washington would feel the same constraints about avoiding heavy bombing and blockades that it did in Vietnam.

But as the Defence Secretary was making clear that the U.S. would not tolerate any fresh trouble in Korea, he also admitted that the cost of the recovery of the Mayaguez was likely to prove very much higher than first thought.

The latest casualty list, Dr. Schlesinger said, shows that five American servicemen were killed in the abortive assault on Koh Tang island, while another 16 were still missing and between 70 and 80 were wounded.

Dr. Schlesinger's warning to North Korea is by far the strongest any senior Administration has made since the fall of Saigon, and it underscores the

concern felt here that the Communists may try to take fresh trouble for the South. The Ford Administration is determined to maintain its commitment in Korea.

Asked about protests by Thailand about use of bases there, Dr. Schlesinger said it was necessary for the U.S. to take the action it did. He defended the operation against charges that U.S. bombers attacked the Cambodian mainland after the Mayaguez crew had boarded the destroyer Wilkes which took the freighter to safety. "In all, some 15 tactical air sorties were directed against the mainland... this was a very prudent, limited use of force. The motivation was clearly to protect the marines on the island."

Schlesinger's statement followed a claim by Radio Phnom Penh that more than 30 U.S. marines were killed or wounded and that five helicopters were shot down. A broadcast, monitored in Bangkok by UPI, claimed that Cambodian troops had saved the crew of the Mayaguez from being killed by the attacking U.S. aircraft. It repeated the assertion that the crew had already been freed before the Americans attacked. (Dr. Kissinger said that diplomatic efforts to free the ship had failed.)

WASHINGTON, May 18.

In Thailand yesterday several thousand students demonstrated and burnt an effigy of Uncle Sam outside the U.S. embassy in Bangkok yesterday. The demonstration was a protest against American use of the U-Tapao air base as a launching pad to rescue the Mayaguez. The students also replaced the emblem of an eagle outside the embassy gate with a cartoon of a culture.

The demonstration went on all weekend, with 10,000 students gathered in the road at its height. The leaders, shouting a torrent of anti-American speeches, said they would stay outside the embassy until Washington had apologised for using the base.

Under pressure from the students, the Foreign Minister, Major-General Charchai Choonhavan, sent a message to the Washington had not apologised in writing by Tuesday night he would immediately recall the Thai ambassador in the U.S.

Many observers think that the Thai Government would be satisfied with an apology, but the presence at the demonstration of the leading student figures who triggered off the troubles that led to the fall of the military regime in October, 1973, illustrated how delicate the situation was for the new Administration.

Planning agreements with big exporters urgent, says report

BY OUR LABOUR STAFF

THE Government should conclude planning agreements with Britain's leading export companies "as a matter of extreme urgency" and should, if necessary, use its powers of price control to make the policy bite, according to a joint recommendation of the research departments of the Labour Party and the TUC.

The paper will be discussed today by the TUC-Labour Party liaison committee, of which Prime Minister Harold Wilson is a member.

The paper also suggests that the funds available for the National Enterprise Board should be increased from the £1bn. foreseen at the moment to as much as £5bn. over five years to make good shortfalls in private investment.

It repeats the controversial idea first publicly aired by Mr. Anthony Wedgwood Benn, Industry Secretary, that financial institutions, such as pension funds, should be required to invest a certain proportion of their holdings in manufacturing industry.

Mr. Wilson, who has been at pains recently to disassociate the Government from some of the policies advocated by Mr. Wedgwood Benn, is expected

to give an extremely cool reception to most of the paper's suggestions.

The main thrust of the proposals is to increase Government influence over industry through a strengthened and streamlined planning machinery in order to increase investments.

The British investment problem was such that it could not be solved by increasing profit margins. "There is little evidence that workers, or, the electorate in general, will favour a policy which sees a return to pricing policies which again provide a high level of retained profits," the paper says.

Investment strategy, it argues, must fit into a coherent, overall economic plan. For this purpose, it suggests that consideration should be given to the establishment within Whitehall of a Strategic Economic Planning Unit, which would operate in close touch with both sides of industry.

Apart from giving the National Enterprise Board more funds, "aggressive edge" should be made of its stake in profitable private industry to expand investment, the paper argues.

THE LEX COLUMN

Money, prices and gilt-edged

The mid-April money supply figures continue to show that the narrowly-defined M1 is rising only slightly behind inflation—at an annual rate of 17 per cent. in the latest three months—whereas the broader-based M3 is lagging way behind. But this is by no means the whole story bearing in mind, for instance, the cascade of cash into the building societies, helped by the steps the clearing banks have been taking to slash their deposit rates. And the sharp jump in bank-lending to the public sector in a month when domestic investors were slight net sellers of gilts is a reminder of the money supply pressures that will build up if the gilt-edged market remains unresponsive to any projected period.

From the authorities' point of view, however, the fixed interest market has taken a marked turn for the better in the past couple of weeks. Once the shakeout between late March and early May—taking the long down a tenth, or about two-fifths of the total rise since January—was over, demand began to appear again. Oddly, given the rampant inflation rate, appetites have been keener towards the long end, where little stock has been issued this year, than in the shorts which have been very heavily supplied and which may have been influenced to a greater extent by the recent sterling and money market upsets. Perhaps for exchange rate reasons, the Government Broker has apparently preferred to hold prices down by readily supplying stock, rather than tempting the market upwards as he did in January.

The general picture is that gilts remain as delicately poised as ever between the recessionary forces—which are causing money to burn holes in institutional pockets—and the evidence of accelerating inflation which suggests that the real negative return for net funds terms only stands at about a quarter to a fifth of the 5,200

per annum. If sterling can be temporarily stabilised at 25p, the narrow definition of the index, though fall in world interest rates might tip the scales in favour of the bulls in the very short term. But a renewed advance by gilts would be accompanied by very high risks.

Brazil

The Rio de Janeiro index has risen by about a tenth in the last ten days following the publication of the rules for the long-awaited admission of foreign capital on to the country's stock exchanges. But for the outside investor, Brazil is unlikely to be another Hong Kong. The Brazilian authorities are treading warily: all money will have to be channelled through closed end funds run by local investment banks while it will only be possible to withdraw capital after three years, and then only at a rate of 20 per cent. every six months.

Brazil wants to avoid any danger of the control of key companies passing abroad, so the funds will not be allowed to own more than 10 per cent. of any company's shares. They will also not be permitted to invest in the financial sector, while they must have at least half their holdings in domestic companies controlled neither by the State nor by foreigners.

These restrictions—particularly on withdrawal—may limit the initial response, but some U.K. groups have already linked with Brazilian investment banks. One group includes James Capel, Henderson Administration and Banco Bozano Simonsen, while another takes in Vickers da Costa, a number of investment trusts, and Banco La-Brasileiro.

Estimates of the initial foreign investment vary between \$100m. and \$300m., which could act as quite a stimulus on the market, which in real terms only stands at about a quarter to a fifth of the 5,200

mid-1971 peak on the Rio BV index. An annual growth in earnings of a quarter or more in real terms for some leaders means that many p/e's are in low single figures.

But there is an obvious question mark against marketability, when only four stocks—Petrobras, Banco do Brasil, Vale do Rio Doce and Belgo-Mineira—account for about half the market turnover.

Among the favoured sectors are steel, states, breweries and certain local offshoots of foreign groups. Despite the traditional volatility of the market, few in London expect any spectacular growth in the short term, but point in the longer run to the rapid rate of economic expansion—projected at 6 to 7 per cent. even for 1975—and a forecast rate of inflation likely to be below Britain's this year, though military rule is not, of course, to everyone's taste.

Hammerson

Hammerson believes that its immediate future lies as a rent collector and property manager rather than as a developer. The news is that it is cutting back not only in the U.K. but also overseas, and the comments about the worldwide shortage of development finance and the impact of the U.S. recession on rents geared to turnover show the other side of the enthusiasm for property abroad.

So the relevant influence now is the growth potential of existing investments. For what it's worth, just over a half the portfolio at cost was revealed last December at an average yield of 8.97 per cent.—probably more than a point higher than the current rate. On the other side, all but £2.24m. of long-term debt of £135.88m. is at fixed rates of under 9.5 per cent. Net worth is \$65.5m., taking in the revaluation, and the market capitalisation is £70m. at 490p, up more than three times since last year's quarter to a fifth of the 5,200

Chrysler presses ahead with profit sharing

BY PETER CARTWRIGHT, MIDLANDS CORRESPONDENT

ALTHOUGH THE strike at the Chrysler engine factory in Coventry has halted all the company's U.K. car production and made 7,000 idle, the management is pressing ahead with its far-reaching proposals for profit-sharing and employee participation.

These were discussed in London last week at a top level meeting between a union team led by Mr. Jack Jones, general secretary of the Transport and General Workers' Union, and management headed by Mr. Gilbert Hunt, chairman of Chrysler (U.K.).

Details of the programme—by which Chrysler hopes to secure 12 months freedom from strikes

as well as higher productivity—are being put to-day to full-time union officials and shop stewards representing 27,000 employees in car and commercial vehicle plants in the Coventry, Luton and Linwood (Scotland) areas.

Chrysler's offer, made to try to head off the strike, took employees as well as most of the industry by surprise. Locally it had been thought that a scheme of profit sharing, a reaction to the disciplining of a group of workers. Some local union officials recognised that in backing their members they were also supporting poor workmanship.

Talks with management resulted in quality and quantity incentives, each comprising four representatives from management and the shop floor and they proved invaluable in smothering friction.

The new proposals will link quality and quantity much more firmly at other plants, together with the incentive of profit sharing for uninterrupted production.

A clear run is vital for Chrysler, which has big contracts

with Iran to supply 150,000 engines and transmissions and also 20,000 fully built up Avengers. Demand there is said to be so strong that there are waiting lists of two months.

The men on strike are unlikely to be swayed by employee participation proposals, although Chrysler is hoping, perhaps, that the plan will drive a wedge between more moderate employees and the 4,000 strikers at the engine plant. Some of those from other factories who will be at Coventry to-day will represent 7,000 already laid off, including 3,000 Scottish workers.

Not far away from the Chrysler plant, 4,500 Massey Ferguson workers have pushed their pay strike into a third week and about 1,500 tractor sets a week-three in four for export—are being lost.

Evidence of the determination to press their claim is to be seen in intensified picketing which is causing more than 200 staff to work from surrounding hotels and others from home.

The one bright spot in the vehicle production picture was the return of 700 staff at Dunlop Engineering after their pay settlement. The strike displaced 2,500 Dunlop and nearly 17,000 British Leyland workers in the Midlands and at Liverpool, all of whom are being recalled progressively from to-day.

BL reveals format of new car division

BY TERRY DODSWORTH, MOTOR INDUSTRY CORRESPONDENT

BRITISH LEYLAND's new integrated car division is to have three separate manufacturing organisations for large, medium and small models.

The division will be centred at Coventry, birthplace of the British car industry. But at the same time Coventry's two most celebrated concerns—Jaguar and Triumph—will be reorganised and now going ahead, along with Rover.

These are the major points which emerge from the latest batch of appointments made by Mr. Derek Whittaker, managing director of the car division, who has now moved into BL's Coventry offices. BL is hoping to complete the major part of the reorganisation by the end of June at the latest.

The overall structure of the car company is now clear. It has been split into two basic units—the body and assembly division, responsible for panel pressings, body manufacture and final assembly; and the power train and foundry division, responsible for engines, transmissions and foundries.

Already, the sweeping structural changes this is demanding in the 30 or so factories in the car division are taking their toll on management.

Mr. Geoffrey Robinson, managing director of Jaguar, has

decided to leave the company because he believes Jaguar should retain its separate identity. The departure of Mr. John Carpenter, sales and marketing director of Rover/Triumph, has highlighted the successful showing of the former Austin-Leyland sales team in the new company.

But the next stage of the reconstruction will demand even bigger changes. It envisages:

- A large car organisation made up of Jaguar, Rover, Solihull (including Land-Rover and Range Rover) and Vauxhall-Plant, London.
- A medium car unit containing the two Cowley, Oxford plants (making the Marina, 1800-2200 Series, and Maxi), plus MG at Abingdon.

A small car unit made up of the Longbridge, Birmingham assembly plants (Mini and Allegro), and Triumph's operations at both Coventry and Liverpool (sports cars, up to 2500 saloon).

A body and pressings concern bringing together all the plants scattered around the Midlands and South Wales.

The plan also foresees the development of two main engine and transmission operations, based on Coventry and Birmingham.

Appointments, page 4
Leyland accepts special status for engine tuners Page 7

Money supply lags behind inflation

BY MICHAEL BLANDEN

THE CONTRASTING trends between the two measures of money supply continued last month with the narrow definition (M1) showing a much faster rate of increase than the wider version (M3).

The difference is mainly due to the sharp rise in bank current accounts in recent months presumably reflecting partly the Government deficit, which are a major part of the total money supply on the narrow definition.

This rise is providing the banks with a considerable inflow of funds at a time when the demand for lending remains sluggish, and has been one of the main factors behind their recent cuts in interest rates.

Against this, domestic sterling deposits, which are included in M3, have been static, probably reflecting in part the low overdraft demand as well as some impact from the sharp reductions in the interest rates paid on deposits in the last few months. As a result, the wider definition of money supply has been rising only slowly.

The figures published by the Bank of England to-day show that over the past three-month period to mid-April, M1 has risen by 4 per cent. on a season-

ally adjusted basis. This increase, equivalent to an annual rate of around 17 per cent., may slightly under-estimate the basic trend because of the drop in February. Even so, it appears that on this definition the money stock is still rising more slowly than the underlying increase in the cost of living of 21.7 per cent. in the past year.

Over the same three months, money stock on the wider definition showed a seasonally adjusted rise of only 2 per cent., or around 3.25 per cent. a year. While the authorities are tending to play down the significance of the money supply on either measure as an influence on inflation, therefore, it appears that its growth at present is well below the general rate of inflation.

During the four-week period to mid-April, there was a sharp rise in U.K. residents' sterling deposits, mainly accounted for by a £468m. jump in private sector current accounts (after a £194m. rise in the previous month). This contributed to a rise of £237m. in M1, equivalent after seasonal adjustment to an increase of about £20m. or 2.3 per cent.

Foreign currency deposits held

by U.K. private sector residents, however, fell back sharply by £347m., more than offsetting the £218m. rise in the previous month which had been due to a temporary shift in the pattern of all companies' overseas payments. The wider definition of money supply, which includes all domestic sterling and foreign currency deposits, rose by only £162m., or about £60m. (0.2 per cent.) after seasonal adjustment.

Bank lending to the public sector, and particularly the local authorities, rose more sharply than loans to the private sector. The central Government again had a sizeable deficit.

Bank lending to the private sector remained subdued. Lending by the banks and discount houses fell by £47m., equivalent to a rise of £160m. after seasonal adjustment against a similar fall in the previous month.

THE CHANGES IN MONEY SUPPLY
(Seasonally adjusted totals and percentage monthly changes)

	M1	% change	M3	% change
April 17	12,57	+2.5	33,45	+0.1
May 15	12,48	-0.7	33,58	+0.4
June 17	12,58	-0.8	33,52	-0.2
July 17	12,55	-0.2	34,57	+3.1
Aug. 21	12,69	+1.2	34,93	+1.0
Sept. 18	12,71	+0.2	34,98	+0.2
Oct. 16	12,90	+1.4	35,15	+0.5
Nov. 20	13,00	+0.8	35,58	+1.2
Dec. 11	13,22	+1.7	35,83	+0.7
Jan. 15	13,71	+3.4	35,97	+0.4
Feb. 19	13,67	-0.3	36,28	+0.9
Mar. 19	13,94	+2.0	36,62	+0.9
Apr. 16	14,26	+2.3	36,68	+0.2

M1 includes notes and coins in circulation plus bank current accounts.

M3 includes M1 plus other items, the main one being bank deposit accounts. Source: Bank of England.

Continued from Page 1

Pressure on pay settlements

not all its ideas straight about the contents of any future package.

There were signs yesterday that if Mr. Jones' idea, which he intends to bring up formally at next month's TUC economic committee, becomes TUC policy it could cause a major rift between manual and craft-based unions at the September TUC Congress.

The first opposition to Mr. Jones' plan came yesterday from Mr. John Lyons of the Power Engineers who described it as

"simply another device for clubbing the skilled worker and all those above him."

Expressing views which are expected to be echoed by other unions who fear the erosion of traditional pay differentials, Mr. Lyons said he would be writing to TUC general secretary Mr. Len Murray about this "divisive and quite unacceptable formula."

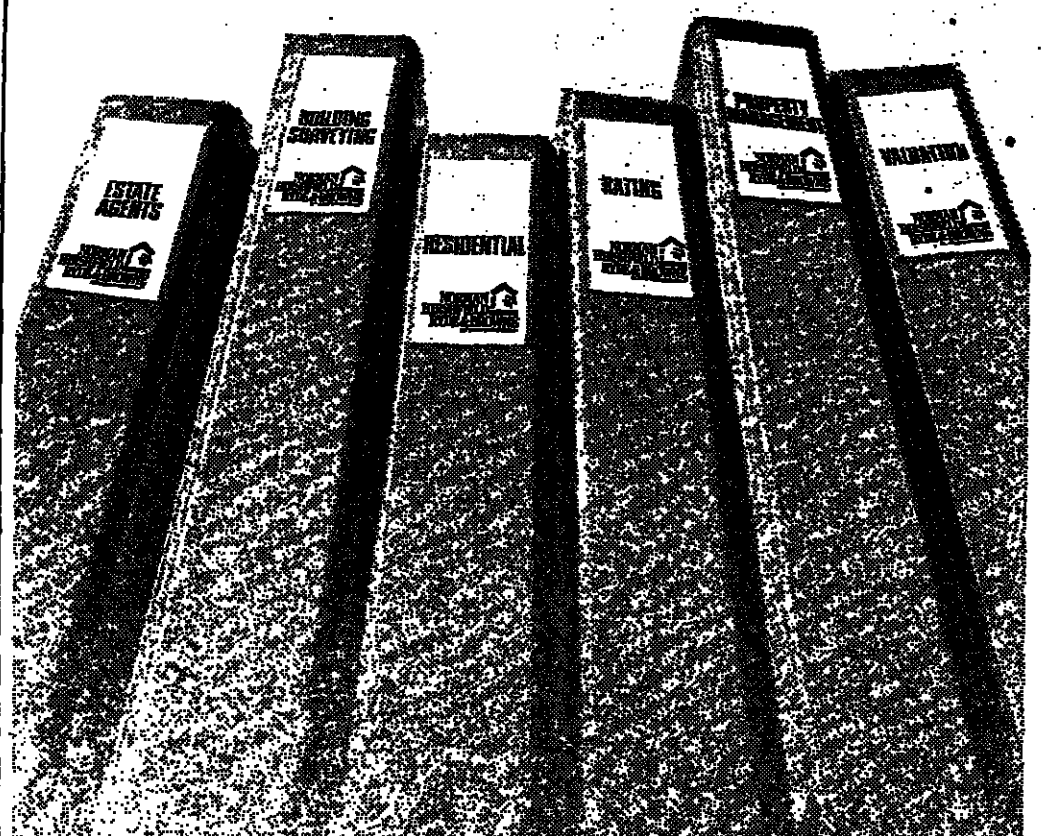
Mr. Lyons, whose members are currently balloting on possible industrial action designed to maintain pay differentials over manual workers in the electricity supply industry, said that a new

social contract keeping wage increases strictly within the movement of the cost of living would be widely welcomed provided it was applied fairly and did not try to discriminate.

Qualified support also came from Mr. Alan Fisher, general secretary of the 500,000-member National Union of Public Employees. But Mr. Fisher, whose union is currently involved in moves to re-establish differentials for local government manual workers, spoke of a need for periodic reviews of dif-

ferentials to ensure that there is sufficient incentive for workers to take on added responsibility associated with promotion.

Mr. Fisher made it clear at the NYPE annual conference that his union would fight plans to cut public expenditure which threatened members' jobs. To-day the conference is expected to adopt £40 a week as a target minimum wage, likely to form the basis of a 33 per cent. pay demand covering some 1.25m. mainly low-paid workers employed by local authorities and the National Health Service.



SIX GOOD REASONS FOR USING NORMAN HIRSHFIELD RYDE & BROWNE

You probably won't find it difficult to choose an estate agent or surveyor to cope with your requirements. But how many of you will find it easy enough to find the right one?

But whose advice can you rely on? For your valuation, compensation and financial development, reimbursement for conveyancing, management, investment, commercial or residential requirements? With the same interest, be maintained and shown on your first visit? Or will you just another client taking your time?

Norman Hirschfield Ryde & Browne have all these services under one roof. Every time we meet, you'll be treated with the courtesy, understanding and a keen eye for history, dating back to 1848, and dealing with experts and well-trained delegates to responsibility.

If you are looking for new premises anywhere in the U.K., or have property

Norman Hirschfield Ryde & Browne have all these services under one roof. Every time we meet, you'll be treated with the courtesy, understanding and a keen eye for history, dating back to 1848, and dealing with experts and well-trained delegates to responsibility.

If you are looking for new premises anywhere in the U.K., or have property

Norman Hirschfield Ryde & Browne have all these services under one roof. Every time we meet, you'll be treated with the courtesy, understanding and a keen eye for history, dating back to 1848, and dealing with experts and well-trained delegates to responsibility.

If you are looking for new premises anywhere in the U.K., or have property

Norman Hirschfield Ryde & Browne have all these services under one roof. Every time we meet, you'll be treated with the courtesy, understanding and a keen eye for history, dating back to 1848, and dealing with experts and well-trained delegates to responsibility.

If you are looking for new premises anywhere in the U.K., or have property

Norman Hirschfield Ryde & Browne have all these services under one roof. Every time we meet, you'll be treated with the courtesy, understanding and a keen eye for history, dating back to 1848, and dealing with experts and well-trained delegates to responsibility.

If you are looking for new premises anywhere in the U.K., or have property

Norman Hirschfield Ryde & Browne have all these services under one roof. Every time we meet, you'll be treated with the courtesy, understanding and a keen eye for history, dating back to 1848, and dealing with experts and well-trained delegates to responsibility.

If you are looking for new premises anywhere in the U.K., or have property

Norman Hirschfield Ryde & Browne have all these services under one roof. Every time we meet, you'll be treated with the courtesy, understanding and a keen eye for history, dating back to 1848, and dealing with experts and well-trained delegates to responsibility.

If you are looking for new premises anywhere in the U.K., or have property

Norman Hirschfield Ryde & Browne have all these services under one roof. Every time we meet, you'll be treated with the courtesy, understanding and a keen eye for history, dating back to 1848, and dealing with experts and well-trained delegates to responsibility.

If you are looking for new premises anywhere in the U.K., or have property

Norman Hirschfield Ryde & Browne have all these services under one roof. Every time we meet, you'll be treated with the courtesy, understanding and a keen eye for history, dating back to 1848, and dealing with experts and well-trained delegates to responsibility.

If you are looking for new premises anywhere in the U.K., or have property

Norman Hirschfield Ryde & Browne have all these services under one roof. Every time we meet, you'll be treated with the courtesy, understanding and a keen eye for history, dating back to 1848, and dealing with experts and well-trained delegates to responsibility.

If you are looking for new premises anywhere in the U.K., or have property

Norman Hirschfield Ryde & Browne have all these services under one roof. Every time we meet, you'll be treated with the courtesy, understanding and a keen eye for history, dating back to 1848, and dealing with experts and well-trained delegates to responsibility.

If you are looking for new premises anywhere in the U.K., or have property

Norman Hirschfield Ryde & Browne have all these services under one roof. Every time we meet, you'll be treated with the courtesy, understanding and a keen eye for history, dating back to 1848, and dealing with experts and well-trained delegates to responsibility.

If you are looking for new premises anywhere in the U.K., or have property

Norman Hirschfield Ryde & Browne have all these services under one roof. Every time we meet, you'll be treated with the courtesy, understanding and a keen eye for history, dating back to 1848, and dealing with experts and well-trained delegates to responsibility.

If you are looking for new premises anywhere in the U.K., or have property

Norman Hirschfield Ryde & Browne have all these services under one roof. Every time we meet, you'll be treated with the courtesy, understanding and a keen eye for history, dating back to 1848, and dealing with experts and well-trained delegates to responsibility.

If you are looking for new premises anywhere in the U.K., or have property